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Area Development as Viewed at the National Level

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The impelling imperatives of rural areas development have long been a clamoring claimant of the attention, interest and energy of the professional agricultural workers of the South. On your shoulders has been concentrated a great share of the national responsibility to promote economic growth and social betterment in rural America.

Through the years you have labored valiantly, and, in terms of the great sweep of history, quite successfully. The agenda of your meeting shows you are still striving to find ways to do more, -- more effectively. Your impatience is both commendable in a moral sense, and quite practical. It is also a forecast of an even more rapid rate of Southern progress to come.

During the past year, Congress and the Administration have augmented and improved Federal aids to be more helpful to local area planning and development efforts. People who want to promote more rapid growth of economic opportunities in their local trade or labor market area can now obtain, on request, broader and more complete service. There is now available a considerable package of coordinated Federal technical assistance, loans, and grants-in-aid which can be utilized effectively to supplement local initiative.

This package of aids has come about from expansion to nationwide operation of the rural areas development activity of the Department of Agriculture; enactment of the Area Redevelopment Act, and the Presidential directive to coordinate and step up all existing helpful programs of all Departments of the Executive Branch of government.

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Address of J. A. Baker, Director of Agricultural Credit, U. S. Department of Agriculture, prepared for delivery at the Annual Meeting of the Southern Agricultural Workers Association, Jacksonville, Florida, at 9:00 a. m. on February 5, 1962

There is a special point about this new improved program I would like to make crystal clear. That point is this: it is a matter of deep conviction that the Federal government will not and should not become responsible for initiating, promoting or controlling either the extent or detailed nature of rural areas development. Sometimes people come to me critical that the Federal government hasn't gotten "much done" or "pushed hard enough" on rural areas development. I refuse to accept it. Local and private folks are the ones who have to accept responsibility for initiating, promoting and controlling both the extent and detailed nature of this activity. I consider <sup>it</sup> a responsibility of the Federal government only to see to it that its appropriate aids to the process are effective, efficient, conveniently available and useful.

The Federal government has neither the programs nor the funds to do or carry out the complete job of development in any rural area -- and it shouldn't pretend to or aspire to. Most of the work must be done by local people in cooperation with local and state governments and instrumentalities. Federal participation, at the most, can provide the extra power often needed in an area to get over the highest hurdle. The Federal contribution in many cases may be crucial or indeed essential but it must always be partial.

Rather than to discuss the economic or sociological aspects of the area development process, it might be useful at this point on your agenda if we discuss in some detail the nature and type of Federal aids available to various phases of area development activities of local enthusiasts. Let's look first at the chronologically prior process of planning.

### Rural Area Planning

In urbanized areas, technical assistance, personnel, and funds to aid in the area planning process are available from the Area Redevelopment Administration of the Department of Commerce, as well as from the Housing and Home Finance Agency.

In rural areas, technical and financial aid to local area planning is available in some measure also from the Area Redevelopment Administration and from the Department of Agriculture.

Area planning responsibility in the Department of Agriculture in its organizational leadership and educational phases has been assigned to the Federal Extension Service. It provides technical assistance and leadership to the State Extension Services. They in turn were asked to assume responsibility for helping to get the area planning process organized. We have been gratified by their response in most states. Extension has the added responsibility of working with State and area planning and development committees, or other effective units, to engage in educational activities on continuous and systematic rural area planning concepts and methods.

Neither Extension nor any other Government agency is the planning agency in rural areas. The citizen-controlled area and state committees are the planning agencies. Extension helps on request with organizational technical assistance and educational efforts. Other USDA, Federal and state agencies stand by to aid with other technical phases of area planning.

Department of Agriculture agencies, with personnel in State and rural areas, have organized technical panels, or subcommittees, to make their services available to the citizen-controlled area planning committees. Appropriate

personnel of Farmers Home Administration serve as chairmen of the technical panels and stand ready to make available any of the services of any and all agencies of the Department of Agriculture which may be useful and productive in the area planning process.

Prior to inauguration of this program, most rural areas did not have formally organized planning machinery nor indeed the financial resources to hire a staff of planning experts to set it up. Recognizing this the Secretary of Agriculture has adopted the successful experience of democratically elected farmer committees, of Soil Conservation districts and of rural electric cooperatives, and applied it to the much broader task of area planning. We hope, and believe, that the relationship between citizen-controlled rural areas development committees and the USDA technical panels will be as successfully worked out as the relationship that now exists between Federal personnel of ASCS and the farmer committees -- and between the governing boards of soil conservation districts and the SCS technicians, as between the boards of rural electric cooperatives and REA's Federal employees.

#### Overall Economic Development Programs

In areas that have been designated for special assistance under the Area Redevelopment Act, the governing legislation requires the preparation and approval of a formal overall economic development program (OEDP) for the area as a prerequisite for action on any technical assistance, industrial, commercial, labor retraining or community facility project application for loans and grants. In rural areas, Farmers Home Administration has been assigned the job, with support of other responsible agencies of the Department of Agriculture, to review and evaluate OEDP's that have been submitted by an area through the agency



of State government designated by the Governor for that job. We depend upon FHA and the Office of Rural Areas Development for a thorough review and evaluation of the OEDP before we certify it for approval to the Area Redevelopment Administration.

We have observed that generally OEDP's are more definitive, and the process of getting final approval is speeded up, if the State rural areas development committee and the area and State USDA technical panels, have participated in the preparation. May I also call your attention to two other points about OEDP's. One of these is that an OEDP is never complete and never final. It must be a continuously changing, improving, more complete<sup>living</sup>/document detailing how the people of an area hope and plan to attain their aspirations and fulfill their felt needs. The other point is this -- In most cases it is quite doubtful that a complete, realistic plan can be confined to the formal area of a single county but must instead cover all the counties of a trade or labor market area.

As you know, a designated area can obtain financial assistance under the Area Redevelopment Act for technical work required to obtain information and make studies needed in the preparation of an adequate OEDP, if needed services are not available from a local or state institution or agency or from an available Federal agency.

#### In Non-designated Areas

In non-designated areas -- those not designated under the Area Redevelopment Act -- and therefore operating solely under USDA's nationwide rural areas development program, we do not require that area plans be sent to Washington for review and evaluation. However, as an added service, we have extended to non-designated areas the opportunity to send in their area plans if they want to.

When they send in their plans we will make appropriate information on them available to prospective industrial locators, public agencies and others who may be interested in moving into such a rural area.

Moreover, we have agreed, when such plans come in, to have them reviewed by the technical specialists in the Department with a view to sending back such suggestions and additional information as might be helpful to the area committee. We have, also, suggested that state rural area development committees and technical panels might find it useful and desirable to provide a similar service to area committees within their States.

#### Industrialization and Recreation

Overall, probably the most promising potential source of new economic opportunities in many rural areas is to be found in providing commercial enterprises and various services connected with outdoor recreation and tourism.

Location of research facilities in an area often expands possibilities for commercial development.

Greater rural industrialization has long been a fond dream of many areas. We don't know how much it is realistic to hope for. There is bound to be some potential in this direction, particularly in the way of processing and manufacture of final goods out of locally produced commodities.

Each additional factory, commercial enterprise, and public installation that locates in an area and builds a payroll provides the purchasing power base and need for additional commercial enterprises and trade and service activity and professional services, whose payrolls add still additional jobs and purchasing power in the area. Area development has a way of pyramiding results.

### REA Handles Industrial and Commercial Projects

Responsibility for promotion, for technical assistance, for review and facilitating of industrial and commercial enterprise projects in rural areas has been assigned to the Rural Electrification Administration. The REA makes a limited volume of loans for rural industrialization from its own funds and helps arrange for additional financing from other sources. REA extends loans to electric cooperatives which in turn extend funds to industrial and commercial consumers who are unable to obtain needed credit elsewhere on reasonable terms for the purchase of electrical machinery and equipment. These REA Section 5 loans, as they are called, are available in any area served by a rural electric cooperative, whether or not the area has been designated under the Area Redevelopment Act.

In all rural areas, the Rural Electrification Administration stands ready to assist potential new industrial and commercial enterprises, or those that seek to expand, obtain needed technical advice and information. REA will also help them find and put together the package of credit from many sources that is needed to get underway. Such credit funds are often available from local contributions. They may consist of loans from local individuals and banks, from insurance companies, from private financial institutions or from the Small Business Administration, or a combination of credit from some or all of them.

For rural areas designated under the Area Redevelopment Act, REA has been assigned the job of assisting in the preparation and processing of applications for ARA industrial and commercial loans. We have found that the process is speeded up and improved if the REA is called in on the potential project application at an early stage of formulation.

We have been gratified by the fine manner in which the rural electric cooperatives of the country have supported the rural areas development program. The electric cooperatives have been public spirited in contribution of their time and talent to assist in the promotion and development of new and expanding industrial and commercial enterprises in their areas. We have similarly had fine cooperation and assistance of many other electric power companies in the areas in which they serve.

#### Watershed Development Sparkplugs Economic Growth

The construction of a Soil Conservation Service watershed protection project has often been the catalyst that sets off a chain reaction of events that builds outdoor recreational facilities and industrial and commercial enterprise in the area. (Culpeper, Va. and Six Mile Creek, Ark., are good examples.) The potentiality of this work needs to be expanded. Not only does the rural area benefit from the added purchasing power and more attractive surroundings and conservation values provided, city people also benefit from the additional recreation sites and opportunity for vacation or weekend enjoyment. With a ready rural power supply, a ready water supply from the watershed project and improved rural roads and highways, it is now favorable for the first time in history to build complex industrial plants in rural areas.

#### Rural Housing and Community Facilities

Other factors which have often held up industrial and commercial development in rural areas are the difficulty of financing adequate, safe and sanitary housing and the lack of a full complement of the cultural, recreational and other community facilities that have long been common in urbanized areas.



During the summer of 1961, Congress closed the gap in rural housing credit. The broad new rural housing program, administered by the Farmers Home Administration, available to non-farm as well as farming families is now in full operation. But its value in facilitating the improvement of living conditions and speeding economic growth in rural areas has just barely been tested. We think it has a considerable potential judging by the volume of applications.

Responsibility for informing local groups where they can obtain assistance and financing for community facilities has also been assigned to Farmers Home Administration. This agency extends, from its own appropriations, loans for water systems and facilities to individual borrowers and cooperative groups and public bodies in rural areas. Farmers Home Administration also stands ready to assist rural communities to arrange assistance through the Community Facilities Administration and elsewhere. Responsibility for assisting in preparation and processing, review and evaluation of applications for ARA community facility loans and grants in designated rural areas has also been assigned to Farmers Home Administration. Under pending legislation proposed by the President in the recent farm message the scope of Farmers Home Administration responsibility in this field of work would be expanded.

The special competency and technical services of the other agencies of the Department of Agriculture are also brought into play, both directly and through technical assistance, to further rural industrialization.

Soil Conservation Service, in addition to the Watershed program, provides advice and assistance in land surveys for industrial and commercial development, water resource development and flood prevention.

Forest Service assists in proper management of privately owned forest land; helps to develop recreational opportunities, with special importance to expanding rural industry it helps develop more and better raw materials, and provides technical assistance for new and expanding wood-using industries.

The highly competent analytical efforts and data of Economic Research Service and Statistical Reporting Service assist not only in analysis of data for area designation purposes but also conduct a continuous program of research in rural area development problems, concepts and solutions.

Farmer Cooperative Service provides technical aid in establishing, expanding and improving cooperatives to carry out industrial and commercial development in rural areas and in the establishment of farmer purchasing, marketing, supply and service cooperatives. Special attention is now being given to the potential role of rural credit unions in area development.

Secretary Freeman has directed me to activate fully the potential role of rural credit unions as a part of the rural areas development activity of the Department. Special attention is being given to this new resource which we think has promising possibilities.

Agricultural Marketing Service helps in developing markets for industrial products produced as a result of a rural areas development program, and in many other ways, including the sending of one of its staff members as a special area development consultant in American Samoa.

Agricultural Research Service conducts studies and supplies technical information relating to the use of both agricultural and industrial products.

The Cooperative State Experiment Station Service administers Federal grant funds made available to the States for agricultural research.

Findings from this research and the highly competent consultant work of staff members play a vital role in both planning and development in rural areas.

#### Training for Action and Reward

Prime requisites in many cases for location or expansion of industrial and commercial enterprises in rural areas are trained and skilled workers. Under the Area Redevelopment Act, limited funds are available for training purposes. The training program may be expanded under other pending legislation.

Underemployed farm workers, as well as unemployed industrial workers, are eligible for such training schools. These schools are being established by state vocational education authorities from funds supplied by the Federal Department of Health, Education and Welfare in cooperation with the Department of Labor. (I would mention New Jersey, West Virginia and possibly Wisconsin as current examples.)

A great many of the other programs administered by HEW have a direct bearing on a total program of rural areas development and we are maintaining close cooperative contacts in that regard.

#### Hired Farm Workers

Not all hired farm workers have inadequately low annual family incomes, but a large proportion do. The Secretary of Agriculture, in close cooperation with the Secretary of Labor, both members of the President's Committee on Migratory Labor, are working to develop solutions in terms of improved farm income, worker wages and other aspects of these problems of the migratory worker.

### Family Farms with Good and Stable Incomes

The basic foundation of a prosperous rural area is the opportunity for families on full- and part-time family farms to have adequate income for their work, saving and management.

More than one-third of the full and part-time farm operator families of America with the head of the family under age 65, are now unable to obtain, from both farm and non-farm sources, annual family incomes of more than the equivalent of \$208 per month. In addition, there are about a half million farm families of inadequately low income with the family head 65 years or older. Both groups -- under 65 and over 65 years of age -- deserve our serious attention in the rural areas development program.

There is nothing to be gained, either in economic efficiency or in improved living conditions for the family, by having a program which would move established full- and part-time farmers off their farms. Instead, our careful study of the situation suggests that the proper approach is in many cases to provide such low-income families a combination of attractive alternatives for improved opportunities for better part-time jobs in rural industry and commercial enterprises, in service trades and other occupations from which the income can be combined with an improved part-time farming operation. In other cases, family-farming operation may be successfully enlarged into a completely adequately full-time basis.

The importance to such families of the farm price and income improvement programs and of Federal crop insurance and other farm production disaster programs is obvious. Without good and stable farm prices and income, there is no point in talking about trying to bring prosperity to rural America.



### Coordinated Credit, Cost-sharing and Conservation

Many of these families need the coordinated facilities of one or another of the farm credit agencies, the long range soil and water use planning of Soil Conservation Service, and ACP cost-sharing funds available from ASCS. These services and resources can be combined and utilized by full- and part-time farm operators to build their farming operations into more adequate income producers. We are currently engaged in an effort to develop and put into effect a workable method of doing this on a farm-by-farm basis.

Farmers Home Administration has the responsibility to counsel with low income farm families and help them work out an appropriate solution to their problems. Where a family qualifies for a long-term real estate loan we hope also to make available to that family an adequate coordinated package of operating credit, SCS conservation treatment and ACP cost-sharing.

### Closing Loan Gaps

Experience we have gained over the past year in operating the expanded rural areas development program has uncovered serious gaps in Federal services available for minimum adequate backstopping of the efforts of local area planning and development committees in their efforts to eradicate the causes of rural poverty and establish a firm foundation for rural prosperity.

Neither the farmers, businessmen nor other citizens of a rural area care to see the land in their area idled, nor the families living there forced to move away for lack of adequate economic opportunity.

In his recent farm message to the Congress, the President recommended adoption of legislation to improve Department programs along these lines.

Instead of wasting the land and water resources in rural areas in the production of commodities that cannot be effectively used, we seek to develop programs to use those resources to meet growing needs for outdoor recreation areas and wildlife promotion, for woodlots and forests, for grazing, and for other uses needed by a growing population.

#### Rural Renewal

In some rural areas the general level of economic activity and of family income is so low and the pattern of land ownership and use so unfavorable and the lack of community facilities so large that no plan other than a complete rural renewal operation seems feasible.

The President has recommended adoption of amendments to existing land use and conservation legislation that would give the Department of Agriculture authorization and funds to inaugurate such a rural renewal program on a pilot demonstration basis in a few selected rural areas where the need is greatest.

#### Other Needed Services

Meanwhile, we continue our study of the effectiveness of our services in fulfilling the needs of rural areas development committees.

We have several task forces at work in such phases of the problem as to what additional is needed to provide special services for the needy aged in rural areas.

We are looking carefully at the adequacy of labor recruitment, transportation and placement activities; at the unmet need, if any, for career counseling and testing; at the other special problems of non-white farm operator and farm labor families.

About 54 million people live in strictly rural areas according to the 1960 Census -- as many as 10 years before, contrary to popular misconception. Probably another 20 million live in small cities that economically and socially are an integral part of the surrounding rural countryside. Rural America is a stable third of a growing America. And over half the poverty in America is rural poverty. When we are discussing rural areas development we are not talking about some minute part of our Nation and one that is rapidly disappearing. We are talking about a big important part of the entire Nation.

There is no other large group closer to the problems and people of rural areas than the professional agricultural workers of the South. We solicit, welcome and will benefit from your continuing advice and counsel as we move ahead with a vigorous rural areas development program.

#### National and International Implications

As essentially local in concept and control as rural areas development is and must continue to be, there are also some significant national and international implications of considerable importance. These national and international implications both establish the need and provide the justification of national concern for and the expenditure of Federal funds to assist rural areas with their problems. What we do to revitalize our rural areas can be a beacon of hope throughout the world in less developed nations. Expansion of economic opportunities in rural America is an essential part of national economic growth.

The entire nation is sufficiently concerned, both for domestic and for international reasons, to appropriate its funds to aid in the work. From this there arises the inescapable problem of how to reconcile, where they may differ, the obvious need to base rural areas development activities upon the initiative and control of local and private citizens in the area with equally obvious need to consider the scales of national values that may be involved in the expenditure of Federal funds.

#### Broadly Representative Planning Committees

One such conflict sometimes arises in connection with the representative makeup of state and area planning and development committees. In some local areas, persons belonging to labor unions, and certain church, racial or nationality groups may customarily be omitted from the decision-making associations within the area and community. Yet national and international considerations require that these persons be counted in on the area development decision-making process. We strongly hope and urge that all area planning committees will be broadly representative, both responsive and responsible to all segments of the local population. Anybody who has not been invited should elbow his way in if that is the only way.

#### National Advisory and Coordinating Groups

A considerable amount of coordinating machinery has necessarily been established in the Executive Branch to pull together the large number of agencies and services of the Federal Government that find themselves providing services on the area development cafeteria line. These include:

The Public Advisory Committee on Area Redevelopment meets periodically to review and evaluate the program carried out under the Area Redevelopment Act;



The Public Advisory Committee on Rural Areas Development has been established to provide citizen counsel to the Secretary of Agriculture on operation of the USDA with respect to rural economic growth;

The Presidential Committee on Area Redevelopment, composed of Cabinet officers, is advisory to the Secretary of Commerce on administration of the ARA program;

The Presidential Committee on Rural Areas Development is composed of the Under Secretaries of all the Departments that are involved;

The ARA Policy Steering Committee is composed of operating agency heads who meet once a week to keep all parts working together smoothly;

The USDA Rural Areas Development Board, of which I am chairman, is composed of representatives of the several agencies of the Department; and

The Office of Rural Areas Development, is composed of a small number of highly qualified persons whose duty it is to expedite, coordinate, stimulate, trouble-shoot, and generally keep the wheels turning at all points of the wide span of various Federal agencies that make their contributions to the success of rural areas development.

May I close with a statement of conviction, and, if you please, of personal bias? People are the starting point for, and the end of, the institutional adjustments involved in area development. In democratic area planning and development, decisions are not properly made by some scientific elite who decides what is best for people and then does it to them. Democratic decision-making in area planning as elsewhere is widely dispersed among families, farms and firms acting through voluntary and democratic institutions.

The motivating force must be the legitimate aspirations and felt needs of the people who live on the land. Efforts of rural folks to attain their aspirations must, of course, take into account their impacts on the rest of the economy and upon natural resources goals. But let us not lose sight of the fact that people are why we are concerned. Someone has truly said, "A human being is an individual of infinite worth."



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BROADENED CONSERVATION CONCEPTS

21, 1962

Broadened  
Conservation

I am delighted to meet with the Northeastern inter-state group of soil and water conservation district officials.

This is the silver anniversary year for soil conservation districts in many states -- those that enacted enabling legislation in 1937.

It is not surprising that soil conservation districts have become a permanent part of rural life in the Northeast. They are in the tradition of very early America, which had its beginnings here, for they are conceived, nurtured, and managed to maturity and usefulness by local people who recognize their own problems and wish to be masters of their own fate in dealing with them.

I deem it a privilege to join with you in devoting all my energy to the task of making rural America a better place in which to live. It is a challenge, an opportunity, a dedication worthy of the best we can put forward. We in the Department of Agriculture earnestly seek your guidance, your understanding, and your support, to help us in this task.

We are all aware that rural America is much more than farm country. Rural America consists of most of our land, half the population of our Nation, its waters and its woods. It is farms and ranches. It is towns and small cities. All of these make up our thousands of rural communities.

Farmers rightly are the backbone of this community. Farming holds it together. If the farmers are economically strong -- if the farmers are prosperous, then the rural community is economically strong and prosperous.

This rural America is the great heritage of space that our colonial forefathers found. It is the vast lands that homesteaders began to settle barely a century ago. It is where our democracy was founded. It is where democracy is still nurtured as the government of the people, closest to the people and most responsive to the people's needs and desires.

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Address by John A. Baker, Assistant Secretary, Department of Agriculture, at the Northeastern Area Meeting, National Association of Soil & Water Conservation Districts, Atlantic City, New Jersey, 9 a.m., August 21, 1962.

This is the rural America that has shaped our American way of life. But this is also the rural America that has been forced behind as our economy advanced. This then is the part of America that must catch up and march on in the progressive surge of our society.

None of us advocates development of these rural communities as a nostalgic effort to turn back the clock to the good old days. Neither do we believe that rural development is impractical, nor, that we are destined to be a Nation exclusively of gigantic cities and a few thousand huge corporate farms.

Those of us, dedicated to rural areas development, may at times tend to be a little nostalgic -- but we are practical, hardheaded realists, too. We fully realize that the success of our efforts will act as a beacon of hope to the countless millions of rural people in the emerging underdeveloped nations of the world.

They look to us for leadership, guidance and good old American know-how, to build up their rural areas. We must show them that democracy can handle its own problems, and is responsive to the wishes of the people, that rural America may reach its aspirations.

Here are the facts:

More rapid economic development of rural America requires new industries, additional small factories, new businesses, watershed development, improved outdoor recreational facilities, additional water supplies, improved health facilities, flood prevention, new tourist attractions, more adequate and more prosperous family farms, new farm crops and many other things needed to expand economic opportunities and build better rural communities.

Soil and water conservation and development of rural areas have been synonymous concepts for 30 years.



In the early thirties, during the demonstration program predating soil conservation districts, the objective was to encourage the maximum number of landowners to adopt conservation practices not merely for their own good but for community-wide resource conservation and economic betterment.

When soil conservation districts began to organize under State law in 1937 the community-wide approach to conservation became a reality. The objective of soil conservation district programs has been to protect and develop all the soil, water, plant and human resources of the community so as to achieve economic and social benefits for the community as a whole -- not just for the individual participants -- the work of soil conservation districts from the beginning has been rural areas development in action.

In our efforts to gain greater emphasis to overall rural areas development we have adopted your concept of Government's response to the aspirations of rural communities for development and growth -- for program services that will stimulate their economies, both farm and industrial, both commercial and cultural, both human resources and natural resources. In it we seek a coordinated meshing of scientifically-competent technical assistance and research, Federal cost-sharing, full use of improved credit facilities, and broadened concepts of education for total community improvement and development.

Secretary Freeman's creation of the Rural Development and Conservation group in the Department of Agriculture is the most recent significant move in our efforts to strengthen and accelerate rural development through conservation of the soil, water, forest, grassland and wildlife resources on the Nation's private lands.

Secretary Freeman is very familiar with rural development and conservation work. As Governor of Minnesota, he was a staunch supporter of soil conservation districts and their work.

As Head of the Department of Agriculture, and with the support of President Kennedy, Secretary Freeman began to accelerate the Small Watershed Program, one of the Nation's most significant rural areas development activities, soon after accepting the job. The credit facilities of Farmers Home Administration and Rural Electrification Administration were expanded and improved. Broader participation in agricultural conservation programs was encouraged. The crop insurance program was extended to additional crops and counties.

Secretary Freeman, soon after taking office, added his efforts to yours to modernize our conservation programs. This culminated in his Memorandum No. 1488 of last February 1. In it, the Secretary established as official policy the broadened conservation concept, adoption of which you have spearheaded and promoted, to meet the resource challenge of the Sixties.

Secretary Freeman established a Land and Water Policy Committee. This committee published a report called "Land and Water Resources -- A Policy Guide," We shall use this guide to strengthen and improve conservation programs.

In January of this year, Secretary Freeman sponsored a Land and People Conference in Washington. This was a most inspiring and excellent affair, attended by and participated in by representatives of all the important conservation groups, including, of course, soil conservation districts.

Secretary Freeman established a Rural Areas Development Board, of which I have the challenge and the honor to be chairman. As chairman of this Board and head of the new group for Rural Development and Conservation, one of my jobs will be to help coordinate and put into effect the recommendations of the Land and Water Policy Committee and the Rural Areas Development Board, both of which include representatives of major agencies in the Department of Agriculture.



Secretary Freeman has also directed that an independent study be made annually to assure that Department of Agriculture policies and programs work most effectively for the preservation and improvement of the family farm pattern in the United States. The study will be made by a subcommittee of the 34-member Public Advisory Committee on Rural Areas Development. Nolen Fuqua of Duncan, Oklahoma, former president of your national organization, is a member of that subcommittee.

The Department of Agriculture was an active participant in the White House Conservation Conference held last spring in Washington. Secretary Freeman in his address to the Conference stressed the vital role of privately-owned rural resources in a broader conservation movement. This was another conservation milestone, the first White House Conservation Conference in more than half a century.

This fall the Department of Agriculture will sponsor a series of five Regional Land and People Conferences in representative geographic areas. These will be follow-ups on the Land and People Conference in Washington, last winter. Theme of these conferences will be strengthening and revitalizing rural America.

Plans are being developed for these conferences now. You will be fully informed. I hope that many of you will be able to attend the one in your area and make your wishes known. Our major purpose in holding these conferences is to get your ideas of what needs to be done and how to do it.

Success in the wise development of the people, of the natural resources and of the communities of rural America will depend not only on the resources that the Federal Government can provide but also and even more importantly upon the local people, the local communities and areas and their voluntary private organizations.

The basic ingredients are initiative, imagination, drive and cooperation among local people and their organizations and leaders. They must make effective use of available services, including those offered by the Federal Government. You are familiar with this approach. You have succeeded by using it. It is the same combination that has spelled success in soil conservation districts.

Rural America is our land and our people. If we are to seek successfully, and we are determined to, to establish a firm foundation for permanent prosperity in rural America, we must make certain that each acre is used in accordance with its capabilities and treated and developed as it requires for maximum economic use by the people of our Nation, including those who own and tend the land, every last one of them. Someone has truly said -- "A human being is an individual of infinite worth."

What is the place of soil conservation districts in the rural areas development program?

Secretary Freeman has more than once demonstrated his interest in soil conservation districts and in his belief in your programs and your way of doing business. He is counting heavily on you to provide much of the leadership and the drive to put into action our accelerated program of rural development and conservation.

The role of soil conservation districts in rural development and conservation will be exactly what you make it. This can be a large role -- even a major role -- or it can be a minor one. It depends entirely on your district leadership.

The soil conservation district is a great force in almost every community in the land. It is an institution that is here to stay. But have soil conservation districts reached their potential? Are all of them everywhere doing a job that is attuned to conservation in the sixties?

Ask yourself these questions: Is my soil conservation district as active today as it was in the first few years of its life? Is the enthusiasm just as high as it was then? Are we doing business pretty much the same way we did in the beginning? Have we brought young men into the picture as district supervisors? Have we recognized that our problems have changed? That we have new problems? Is our program and work plan up to date? Are we vigorously seeking new ways to work with our rural electric cooperatives, with local government officials, with the banker and merchant and doctor and utility company, with all groups in the area whose efforts joined with ours will help make our area more up to our aspirations?

The spark that ignited many soil conservation districts in the beginning was soil erosion, for it was the rallying cry, the menace so ably exploited by Hugh Bennett. Some districts were interested in stabilizing sandy soils, others in stopping dust storms, still others in drainage.

The early programs and work plans were written around the problems that existed at the time the district was organized. That is understandable. Many of these problems still exist, and we must continue to work on them. But meanwhile, since the thirties, the concept of resource conservation has broadened tremendously.

We have learned that soil and water conservation are one and the same. Your national association has recognized this by changing its name to include water. Many state laws have also been amended to provide for the same addition to the names of local districts.

The soil and water concept has come to mean increasing agricultural income and efficiency through proper land use; protecting land against all forms of soil deterioration; rebuilding eroded and depleted soils; building up soil fertility; stabilizing critical run-off and sediment-producing areas;

improving grasslands, woodlands and wildlife lands; conserving water for industrial and municipal as well as other uses; proper agricultural drainage and irrigation; and reducing floodwater and sediment damage for benefits to the public as a whole.

Modern soil and water conservation includes planning and treating complete watersheds as resource units. This means coordinating the management of crop, range, and forest lands, and the treatment of watercourses in the upper watersheds to minimize the damage of floods and sedimentation and to improve the quality and regularity of water supplies.

Many new tasks related to the job of soil conservation districts accompany the broadened concept of soil and water conservation. There is the new emphasis on income-producing recreation on farmlands and in small watershed projects. There is the new interest in long-range community planning by city, county, State and Federal agencies, and by private interests. There is improved woodland management and marketing of wood products. I could name many more--like the steady improvement of farms and ranches -- the tremendous shifts in land use brought on by urbanization, -- but so could you.

Do you, as soil conservation district officials, visualize resource conservation in the sixties? Have you discussed it seriously in your board meetings? Are you prepared to move full steam ahead in the race toward better use and development of our land and water resources before the massive pressures of this space age push us unprepared into a tragic course of waste?

One thing you should do, and you should start on it now -- modernize your working agreement with the Department of Agriculture.

Secretary Freeman made you this offer on February 1 in his Memorandum No. 1488. In that memorandum the Secretary said: "The Basic Memorandum of Understanding currently in use with soil and water conservation districts was designed a generation ago and does not fully reflect modern conservation concepts and working arrangements.



The purpose of this memorandum is to promulgate a modernized Basic Memorandum of Understanding to reflect the concepts of the sixties as an initial step in more effectively helping private landowners to move forward their soil and water conservation efforts."

That was an open invitation to soil conservation districts. It was not only an invitation. It was a challenge. It challenged soil conservation district leadership to join in a revitalized and modernized program of rural development and conservation. It challenges you to reappraise your job in the light of present times.

Secretary Freeman, SCS Administrator Don Williams, and I are very serious about this. Let me quote briefly from a memorandum Don Williams sent to SCS State Conservationists:

"In submitting modernized Basic Memorandums of Understanding from individual soil conservation districts, the memorandum should be accompanied by an up-to-date long-range program of the soil conservation district. We want to repeat what earlier communications have indicated. The key factor to consider by a soil conservation district governing body in executing a modernized memorandum of understanding is the development of an up-to-date long-range program for the district. It is essential that the district program be thought through completely in terms of modern conservation concepts, even if it takes a year or more to do it.

"This subject has been reviewed with the Secretary's Office and it appears of little use to go through the paper work and exercise of signing a new memorandum of understanding until the district governing body has made a sincere effort to modernize its program."

That, still speaking very frankly, is exactly what we mean. We offer an enlarged partnership to soil conservation districts -- a working arrangement that will enable us to better serve the cause of developing rural America and its soil and water resources for the benefit of all Americans.

Twenty-five years ago soil conservation districts launched the greatest crusade in the history of American agriculture. Nothing quite like it ever happened before in this country or in the world.

Your accomplishments in the past quarter century are many. But you have barely begun to accomplish the great task to which you dedicated yourselves 25 years ago. You cannot afford to be complacent now.

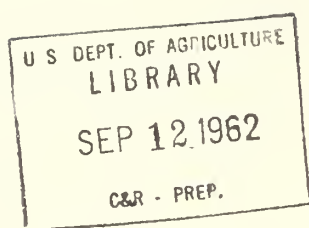
Today you face new problems and new complexities that have come about as America has grown, as more and more demands have been placed on our limited resources of productive land and water. These demands are increasing. The race is growing swifter.

As we face the second quarter century, the ideas, and programs that were adequate 25 years ago are inadequate today. A program for the thirties isn't good enough for the sixties, no more so than a 1932 piece of farm machinery can compete with one produced in the sixties.

Soil conservation districts today have a greater opportunity than ever to prosperity in rural areas.

I urge you to accept the challenge that is yours. Go forward with us, as we have done before by using new ways as well as the old to meet the new objectives that have been added to the old. As long as people unite in a common cause under their own leadership, with a sympathetic and helpful government responsible to them, they cannot fail. Let us push forth boldly together.







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ATTAINING THE ASPIRATIONS OF RURAL AMERICA

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Today we observe with pride a century of service to our nation of the ideas and institutions inaugurated by enactment of the Homestead Act and of legislation establishing the people's colleges and the people's Department of the Federal Government. These were significant breakthroughs for the democratic response of government to the preceding century of striving by rural people, and indeed, common citizens throughout the nation, to attain their deepest aspirations for freedom and economic opportunity.

Today we are proud that these institutions and these ideas of rural America are not only alive but more useful than ever. We view the future with faith because we know these democratic ideas and these democratic institutions will provide a continuing response of government to the aspirations and felt needs of rural America in the general national interest.

The legislation, whose centennial we observe here tonight, laid the foundation of public and private democratic institutions -- the Land-Grant College, the U. S. Department of Agriculture, and the family farm pattern of American agriculture -- that in our time have pushed our nation over the threshold from the centuries-long era of scarcity to a new era of abundance with which we yet hardly know how to deal.

At this centennial observation it is only fitting that we point with pride and face the future with faith. A centennial observation is a time to take the long look -- to see where we stand in relation to where we came from and in relation to where we are heading. At the end of a substantially successful century, we may appropriately view the present with some optimistic perspective. That our view may be so proud and optimistic is a direct result of the political genius of those who enacted the legislation we honor tonight.

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Address by John A. Baker, Assistant Secretary, U. S. Department of Agriculture, at the Centennial Observation, Memorial Union, Ohio State University, Columbus, Ohio, September 13, 1962

Our nation now enjoys the highest standard of living in its history and of any nation in the long history of the world. Per person disposable income is at an historic high. The rate of unemployment, though still too high, has fallen significantly from the higher levels of less than two years ago, and is still falling. General and vocational education, thanks to support of the people's colleges and related institutions by Federal, State and local governments, are of higher quality and more widespread availability than ever before. Our nation's future is secure and world destruction by nuclear war has been avoided.

Socially, politically and economically rural America and urban America are growing closer together. After nearly a decade of drifting downward, farm net income is again moving upward, a billion dollars more this year than only two years ago. Per farm net income is at an historic high. Income per farm family is also at an historic high. And the past three years have seen a significant closing of the rural-urban income parity gap. Rural America is catching up and is joining the rest of America in a great progressive thrust forward propelled in large by force put into action by the Homestead Act, by the Land-Grant College, and by the U. S. Department of Agriculture.

These attainments are not just accidents of fate. They are results of the hybrid vigor, the research, technology, and expressed hope generated by ideas and institutions symbolized by this Centennial; by great State Universities like the one in whose halls we meet; by the United States Department of Agriculture whose services touch and benefit every man, woman and child in the nation; and by the great family farm institution that has given our country the most productive farming industry known to man.

It is a special privilege to join you in celebrating the centennial of what Abraham Lincoln called "the people's Department."

The U. S. Department of Agriculture, President Lincoln said, is the one in which the people feel more directly concerned than any other. More now than 100 years ago.

The history of the Department of Agriculture is firmly linked with the people's colleges, of which Ohio State is a distinguished example. That was the popular name of the little agricultural and mechanical schools that began to be built in every state a century ago. The money came from the sale of Federal lands given to each state for this purpose under the Land-Grant College Act.

A hundred years ago these two institutions -- the people's colleges and the people's Department -- were dedicated to learning and putting learning to use so that this nation could take full advantage of its great riches in land.

And the land was offered to the people under the Homestead Act in a way that made the family farm the characteristic pattern and the economic unit of American agriculture.

These ideas -- free land in family-size units, the people's colleges, and the people's Department in government -- were new. They were innovations.

Congress had no model to follow in 1862. Until then, no other nation in the world had viewed its potential for development through the far-ranging lens of democratic ideals.

We blazed the trail.

And today the world marvels at the riches it has brought us -- the agricultural diversity and abundance unmatched in history. This has given our people the capital and the thrust to move forward in industrialization and to assume world leadership.

Here in Memorial Union we think particularly of the thousands of young men and women who have been educated to serve agriculture in our country and abroad.

A large share of them have been farm boys and girls whose opportunities to develop their innate capacities came through the Land-Grant Colleges. They have demonstrated and are demonstrating--as President Kennedy expresses it--that "The human mind is our fundamental resource."

Their contributions to America and to the world have gone far beyond agriculture in the narrow sense of the term. They have pushed back the frontiers of knowledge.

From the beginning, the "people's Department" has been firmly based on science. Within 50 years after its establishment, USDA and the State Agricultural Experiment Stations formed the largest scientific establishment in the world.

Agricultural science has maintained its place in the front ranks of scientific quality. We could claim three Nobel prize winners in the group entertained at the White House a few months ago. And work in progress is shaping up to other prizes of equal distinction.

More immediately, Department scientists make their impact felt in a continuing flow of useful ideas for improving farming.....for processing and marketing agricultural commodities....for healthful food consumption....and for wise use of the physical and economic resources.

Whereas a century ago one farmer supplied food for less than five persons, hardly more than his own family, today's efficient farmer produces food for 27 persons.

For our people this has meant food at bargain prices. And both the needy here and abroad have benefited from this capacity of our farmers to produce abundantly.



Today, we can point with pride to the American farmer, the most efficient farm worker in the world.

Over the past 18 months, the Department of Agriculture doubled its distribution of food to the needy. Last year, more than 2 billion pounds of food were distributed to those on relief and in charitable institutions and schools.

The new pilot Food Stamp Program is working well. In fact the program has proved so effective in distributing some of our agricultural abundance to those who need it, but can't afford it, that the program is now being expanded from eight areas to 25 areas in 18 additional states.

Contributions of the nation's farmers to Food for Peace in less advantaged nations totaled more than 700 million bushels of wheat and flour and almost 150 million bushels of corn, last year. Shipments, the pay for which was in dollars, reached this year, a historic high of \$3.5 billion. Those paid in national currencies under PL 480 funds totaled \$1.6 billion. U. S. farm produced commodities accounted for more than \$5 billion of our export trade last year.

Fifty years ago the big question facing agricultural leaders was how to enable farmers to use the ideas developed in research. Here, too, the people's department and the peoples' colleges blazed a trail. They organized the Cooperative Agricultural Extension Service and took research findings to the farm families. This innovation became the largest adult education activity in the world, and it is now moving into broader fields, urban and rural, here at home and throughout the world.

The depression years brought an awareness that many farm families must have financial help before they could profit from education. The New Deal added a new dimension to teaching -- the supervised credit of the Farmers Home Administration.



Today, FHA records are packed with the success stories of farm families who with a little help have been able to help themselves. Given a chance, these families have become full-fledged contributors to our economy. To meet increased credit needs brought on by the decade of cost-price squeeze, loans to farmers from FHA doubled from 1960 to 1962.

The Housing Act of 1961, was another historic milestone for rural America and its people. Under this Act, the Department, for the first time was authorized to make loans to owners of nonfarm tracts in rural areas and in small rural communities with up to 2,500 population, as well as to farm owners. Thanks to this one program, over 8,200 families will have new rural homes. Approximately \$95 million was obligated for this home-loan program during fiscal 1962.

Recently the Secretary announced that an additional \$152 million has been made available for rural housing loans.

These funds will help 20,000 rural families who do not now have adequate housing to obtain credit to finance a new home or improve the home they already own.

This rural housing program has also done much to stimulate other economic activity in rural America. Jobs have been developed for carpenters, masons, plumbers, electricians. Sales of building supply firms and other rural merchants have increased.

The wages received as a result are rekindling in many of the rural areas a new spirit of community improvement. But more importantly than the new jobs, the new houses overdemonstrate that people have faith in the future of their rural communities.

During the past two years the other rural credit programs have expanded and are increasing the economy of rural Americans. In 1962, Farmers Home Administration loans for farm purchases, for operation, for conservation and for other farming purposes, doubled what they were in 1960.

Rural Electrification loans for electricity and telephone service are being increased also to meet the needs of the local people in rural America. On May 31, electrification loans stood at \$4,631 million -- \$478 million more than two years earlier. Rural electric cooperatives are being insured an equal access to power sources to enable them to meet growing power needs of family farms and a developing prosperous rural America.

As the result of this increase, more than 240,000 rural people will get their first REA-financed electric or dial telephone service.

The Department's crop insurance program has 365,000 policies in effect in 996 counties in the nation -- nearly a third of all counties -- covering 20 different crops. Now for the first time here in Ohio, the crop insurance program will be expanded on a test basis to cover tomatoes -- another milestone in farmer protection by the Department of Agriculture -- the people's Department.

Congress brought these various services of the people's Department into existence and has improved and expanded them in response to the aspirations and felt needs of rural people.

Over the years, since Teddy Roosevelt and Gifford Pinchot, increasing emphasis has been put on the Department's forestry research and forest and range land management programs designed to insure this nation a healthy, abundant supply of lumber, while improving the income of the woodlot farmer. Funds used for these purposes have almost doubled in the past two years.

Here in Columbus and throughout the Central States a program of forestry research has been carried on since 1927. Its Central States Forest Experiment Station, maintained in cooperation with the Ohio State University, is one of 12 such major research installations working on local problems of forest management and utilization.

The Department's conservation programs have been strengthened and accelerated to move into this second century of progress for rural America.

Over 400 watershed protection projects, nationwide, have been authorized and approved; seventy-six have been completed. Each watershed is contributing and will continue to contribute much to the rural economy, far beyond the mere control of flood waters. Past history has demonstrated that watershed projects tend to act as a catalyst in generating a whole series of economic improvements within their areas.

They have also shown that cooperation between rural and urban people in combating a common problem, far from being a thing of the past, is alive and vibrant in this space age of ours.

You, here in Ohio, have a good example of what a rural-urban joint force can do to solve a common problem. For years your Hocking River and Hunters Run took their toll of fertile land, crops, municipal and private properties, while left unchecked and uncontrolled.

But, the farm and city people united and formed a 49 square mile watershed project, and with the help of your people's Department, a concerted joint effort got underway to control the excess water that poised a constant threat to farmland and cityland. The project was completed last year.

Today, now safe from flood threat, the Hocking River flood plain, supports a new junior high school, a new Y building, commercial businesses and homes -- new economic growth.

Everyone in the area has benefited -- city dweller as well as farmer. Farmland is protected against erosion. Excess water is safely channeled down the streams and rivers at a more normal and stable flow.

And, as an added bonus, the county's residents enjoy recreational sites at the permanent pools of water backed up by the dams.

The agricultural challenges of the 60's have brought with them demands for efficiency within the Department, as well. These are challenges which the Secretary has accepted, and on which he has moved full steam ahead.

The U. S. Department of Agriculture for 100 years has been a leader in adopting improved techniques of administrative management. Just recently, Secretary Freeman dedicated a new data processing center in Kansas City, which when in full operation will result in an annual accounting of savings of \$1.2 Million a year in consolidating all price-support loan accountings for grains and in developing a system of management of all CCC grain inventories.

A processing center in New Orleans is handling cotton price support and inventories, and will gradually take on the Department's payroll and budget accounting and personnel management -- at a savings of \$1.5 Million a year.

The New Orleans center also handles records of the Dairy Herd Improvement Association, providing information that under the old method would require 10 times as many employees.

A third data processing center in Washington, D. C. will deal mostly with economic information, especially crop reporting and estimating.

The people's Department moves ahead.....in efficiency.

And these are not isolated developments either. They are all part of a carefully planned over-all program to strengthen the administration of the broad programs assigned to the Department by the Congress.

In 10 months, we saved over a million dollars with a new method of selling corn when large quantities are involved -- on a "round lot" basis direct to users.

In the last two years, the workload of ASCS county offices increased 82 percent. Yet, we did this work with fewer man years than were used in 1958.

The Department is saving \$150,000 a year with new ways of fighting certain tree insects -- and we are using this money for insect control on an additional 7,500 acres.



The Department carried out its soil survey work this year at a saving of a quarter of a million dollars below what the same amount of work would have cost in 1960.....740 million acres have been surveyed, nearly half of the total private lands that need surveying.

As we relate the accomplishments of the past and present -- all of which have done much to strengthen and to build the economy of rural people, let's pause a while and reflect upon the future -- the future of rural America. We need to work together to push forward with an action program of maximum service to rural residents and their communities to attain their legitimate aspirations.

Today our farm people and their rural residents seek new goals. They address themselves to the question of "How can we make our land and water resources most useful in the decades ahead and in the new century, less than 38 years away?"

The rural people face squarely the prospect that even though U. S. population continues to grow at its present rate, the food and fiber needs of 1980 require 50 million fewer acres under cultivation than are needed today.

Our rural areas, with their vast abundance, where nearly a third of our population live, hold great promise for an increased economy for the whole nation, and an enriched civilization for all of us.

Rural areas provide us with the opportunity of dispersing industry across the land in a more meaningful way.

An article in a recent issue of the Wall Street Journal points the way. Its headline reads: "More Companies Build Plants in Rural Areas."

Quoting a leading authority of a nationwide firm, which helps plants locate sites, the article states: "Last year, eight out of every 10 selections were well away from large urban areas. A decade earlier only about half of the new sites were rural."



Yes, rural America is on the move again. Rural sites, expertly chosen, can serve the fast-moving electronics industry, thanks to the advance of rural electrification across the width and breadth of this land -- a major development aid from your people's Department.

Rural areas offer a number of choice locations for research centers, for meat packing plants, for pharmaceutical companies, and even for publishers.

You, here in Ohio, are well aware, from past experience, that industries in rural areas are not limited to those closely tied in with farm and forest products, although such industries are certainly basic to the growth of the rural economy.

As we look to the next century, we realize that total development of our rural areas must rightly begin with its people -- those that live on the lands. The plans for change must reflect both their attitudes and their aspirations.

Technicians have a special role in helping build the rural areas. We might describe that role with the phrase that once was popular when our nation was young and on the go. People who stirred others to change were then called "Movers and Shakers."

Our specialists within the people's Department, working jointly with specialists from the people's colleges and other governmental departments, are aiming to point the way for the local people -- to inform them about their resources in government and private enterprises which offer help -- to counsel the rural people each step of the way toward more rapid development -- and to help them turn their dreams into realities.

Some call this a bold undertaking. We say it is essential, and that it is undertaken at the response of the people.

Once again the Department of Agriculture organizes for action to help rural people. A year and a half ago, Secretary Freeman established the Rural Areas Development Board, composed of all USDA agencies with helpful services and put the RAD program on a nationwide basis.

The resources of the Department were marshalled to help the rural people develop new economic opportunities for themselves and for all Americans.

Within the Department's RAD activities we seek a coordinated meshing of scientifically-competent technical assistance and research, Federal cost-sharing, full use of improved credit facilities, and a broadened concept of education for community improvement and development.

Specialists from USDA agencies, with field offices, are to be formed into technical action panels in each State and county to help in rural areas development.

TAP, as these panels are known because they are to be only on tap, not on TOP, are responsible for providing coordinated technical services to local and state groups concerned with development. Across the land these technical action panels have made their services available to local public and private planning and development leaders of all kinds.

Coupled with the RAD program, is the Area Redevelopment Act, which provides additional services -- loans, grants and technical assistance -- in nearly 750 predominately rural counties.

The Area Redevelopment Act provides that services and facilities of existing agencies should be used when and wherever possible to stimulate more rapid economic development in the designated areas; three in Ohio are almost completely rural.

Over 219 projects, 48 of which have already received ARA assistance have been developed in these designated rural areas. Over 7,000 new jobs have been created.

This though is only a small part of our total program of rural areas development.

The response, nationwide, from the local people has been overwhelming. Today there is RAD activity in all 50 of our States. Nearly 50,000 rural and small-town community people are hard at work. As a result, 2,700 rural areas development project proposals have been conceived, 900 of which are on their way to becoming realities, creating jobs for 12,000 rural people, and adding several millions of dollars of purchasing power in rural America.

The proposals range from the small handicraft enterprise employing only a few skilled families to large industrial sites with potential for thousands of jobs.

Many rural communities are building new and improved public facilities -- water supplies and sewage disposal -- that must be constructed before anything else is done.

Communities are now alert to the opportunities for recreational development in and around small lakes and ponds. These communities are represented in the 1,000 local groups across the nation that have applied for watershed projects and about 700 that are now approved for planning activities.

The nation as a whole is feeling the impact of a rising demand for outdoor recreational facilities. Campsites are crowded. Visitors are increasing each year.

The rural areas, with their vast lands, timber, water and other natural resources, hold out much promise for satisfying this recreational appetite now reaching massive proportions in our country.

The Department of Agriculture, most concerned with rural areas and with the people on the land, is coordinating its water, land and recreational policies, with other agencies of government, to assist the rural people as they change from crop production to recreational grasslands and forest uses that will return a good income to farmers, ranchers and other rural land owners.

Communities that have the good fortune to be located near forested areas -- U. S. National or state forests or private woodlands -- are counting heavily on these natural resources in their overall economic development plans.

I have touched on only a few of the possibilities for revitalizing our rural economy -- for drawing upon the resources of our land -- the skills of our rural people. There are many others.

All of us know that none of these possibilities can be easily achieved. They will require knowledge, imagination and dedication both on the part of rural people and all of us who serve them.

Basic and fundamental to rural prosperity is adequate income for family farms. Secretary Freeman has directed that an independent study be made by a subcommittee of the Department's rural areas development advisory group annually to assure that the policies and programs of the Federal Government work most effectively for the continuation and improvement of the family farm pattern in this nation.

Next week the Department embarks on a series of five regional Land and People Conferences in representative geographic areas. The first will be held next Monday and Tuesday, September 17-18, in St. Louis, and will include representation from Ohio.

The theme of each of these conferences is the strengthening and revitalizing of rural America. We want to know what urban and rural leaders think can be done and how it can be stimulated.

Rural America is on the move. As over the past century the people's Department of Agriculture, the people's Land-Grant colleges, and the family farm pattern of agriculture enshrined in the Homestead Act will, over the next century, be in the forefront of the striving of rural Americans to attain their legitimate aspirations.



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Nov. 15, 1962

RURAL AREAS DEVELOPMENT FOR ALL THE PEOPLE

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All of us are grateful to Fay Bennett, Frank Graham, Judson King and others who arranged this conference. It gives us the chance we have wanted to talk together about rural areas development.

Those of us from the Department of Agriculture have been particularly interested in hearing your ideas of how you can contribute to rural areas development and benefit from it.

We have shared your pride and excitement in the progress of the West Tennessee Development Company and the Chesterfield County Garment Corporation.

These ventures stand out as fine examples of the steps rural people can take to generate new jobs in their own communities.

The remarkable thing about these enterprises is that so much has been accomplished in so short a time -- hardly more than a year. And while the big job for both communities lies ahead, the local people have demonstrated that given the opportunity and encouragement they can do something on their own to improve and develop their home communities. Equally important, they have demonstrated that they have the courage to act on their own ideas.

Yesterday and today, you have heard about the various services available from the U. S. Department of Agriculture and other sources of aid to local groups for rural areas development.

The discussions, I am sure, have sparked ideas for enterprises that can be started in your communities -- similar enterprises in some instances; completely different ones in others. And that is as it should be. For you must see the opportunities for development of your area in the light of the resources and problems that distinguish it from all others.

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Address by John A. Baker, Assistant Secretary, Department of Agriculture, at the Southern Rural Conference sponsored by the National Sharecroppers Fund, Franklinton Center, Bricks, North Carolina, November 15, 1962.



For the country as a whole and particularly the South, the important thing about these initial efforts -- in Tennessee and South Carolina -- is their multiplier effect.

A year from now, there will be at least fifty and possibly a hundred new enterprises planned by the people at this conference and offering jobs right in your own communities -- jobs for yourselves, your friends and relatives who want to stay there.

We are convinced that a prosperous rural America can and must be built by the people and for the people who live in rural America.

Our views have been strongly reinforced over the past few weeks. They have been reinforced by some 10,000 people who attended the Land and People conferences.

As you may know, there were five of these conferences, each held in a different region of the United States -- in St. Louis, Missouri; Portland, Oregon; Denver, Colorado; New Orleans, Louisiana; and Philadelphia, Pennsylvania.

The people came to the conferences because they wanted to discuss the future of rural America. They are concerned about the changes that have transformed our agriculture ... that have idled millions of acres and have forced millions of families to find other means of support.

Along with their concern, the people who came to the conferences are excited about the possibilities for making rural America a good place to live and a good place to earn a living.

At each of the meetings we heard people who live in the region tell how local groups had organized for action to bring long-needed improvements. Often they spoke of better schools and community facilities such as water supplies and sewage disposal. They spoke of watershed development and flood control, of rural electric co-ops, and of new industries.

A surprisingly large number of people told of their success in making money from a new type of farm enterprise -- outdoor recreation. I am speaking of the fishing, hunting, swimming, and camping that traditionally have brightened the farm family's life.

Today, millions of customers -- city-bound people -- are willing to pay for the privileges that farm families have enjoyed free of charge. The demand for outdoor recreation is rising. Suddenly, many farmers are finding that they can get better returns from catering to this demand than they can get from growing crops that may be in surplus.

Tupelo, Mississippi, is an example of an agricultural-based community that gained strikingly in industrialization between 1950 and 1962. New plants brought jobs for 6,000 workers, a three-fold increase in a little more than a decade. Payrolls rose from \$4 million to \$16 million a year.

Editor George McLean of the Tupelo JOURNAL outlined the changes and the thinking back of them at our New Orleans meeting. He said that years ago the leaders of Tupelo made up their minds that more jobs were needed and they would do whatever it took to get them.

Some of you will recall that Tupelo made history in the 1930's as the first municipality in the United States to get its electric power from the Tennessee Valley Authority.

Tupelo businessmen invest between \$80 and \$90 thousand a year in the Community Development Foundation. They postpone their own business affairs to go to meetings in town and in the rural areas.

The efforts to develop new jobs extend to the whole area. They do not stop at the city limits of Tupelo nor the boundaries of Lee County.

By planning and working together the people of Tupelo have developed new farm enterprises and markets for farm products. And today they have meat packing and poultry and milk processing plants. They have grain elevators, oil mills, and fertilizer plants. And they have a large number of small plants manufacturing other things.

The efforts to improve Tupelo are not limited to economic matters. They include religion, education, family life, recreation, and everything that goes to make up a better life.

We realize that rural areas development is a vast undertaking. It requires comprehensive preparation. It calls for synchronized action to build factories, to develop adequate family farms, and to expand business enterprises. It takes overall planning and smooth teamwork to provide better public facilities such as rural electric systems, telephones, housing, water and sewer systems, swimming pools and better schools.

The first steps -- the initial effort -- must be taken by the people who live in the area.

Start with what you have is the first law of rural areas development as it is in any wise planning. What must be done in rural America can only be done through local leadership and local initiative. The full team must play if we are to win the pennant in this effort. The trouble is that too many players are being left on the bench.

In some cases, this is an oversight that can be corrected in a relatively short time. In other instances, good players are being benched because the people who are calling the signals in their communities have not yet been awakened to the full meaning of democracy.



Democracy is an adventure in the realm of human relations... of people working together ... all kinds of people. And one of the most fruitful things about democracy is that it makes people resourceful and inventive. It gives them flexibility.

Time and again at the Land and People meetings, speakers touched on the question that is our special concern this evening -- the full use of our human resources. The problem, they said, is to unlock the potential for greater productivity. That is the key to improving our rural economy and our national economy as well.

Stated more simply, they were saying we have got to be sure we have set up a common ground for the exchange of ideas. Every idea seriously proposed has worth, even those that are obviously not workable at the moment. They spark ideas that will work. We know, of course, that is how good ideas come into being. They are based on many ideas that had to be discarded.

Out in Denver one of the most popular speakers was a Council member of the Standing Rocks Tribe of Sioux Indians in North Dakota. He told of the enormous interest created when members of the tribe had the opportunity to express their ideas for rural areas development. And he underscored this point: The Indians liked what was being done because they had a hand in it. This was in striking contrast to their reaction when things are done for them.

Down in New Orleans we had a highly productive discussion about the need for a common meeting ground for the exchange of ideas. Negro leaders and other key people in the Southern states considered steps by which Negroes who are and should be concerned with rural areas development can participate in the effort.

All of us know that the make-up of the local RAD committee is the first test of whether all the people in the area will be involved. We are deeply concerned because Negroes are not getting a chance to contribute their ideas fully right from the beginning of the discussions of rural areas development.

Progress is being made. Some RAD committees are representative. For example, the Waller County (Texas) Development Council has six Negro members on the Board. As you may know, Prairie View A. and M. College is in Waller County.

Dean L. A. Potts, who was formerly on the staff at Prairie View, has suggested that our best hope for overcoming the restrictions that concern us is through the colleges. And in New Orleans, Dean Potts met with 22 college officials to talk about what can be done.

What came through most forcibly was how little these officials feel that they know about the rural areas development activities of the Department of Agriculture. The concensus of the meeting could be expressed in six words: The need to know about RAD. And they asked the Department to begin in a vigorous and systematic way to keep them and other leaders in the colleges informed about the RAD movement.

The group then worked out a concrete plan of action. They propose that discussion groups be formed in communities, areas, and States to help the people become informed about RAD.

Membership in the discussion groups is unrestricted. Each group will be open to all who are sincerely interested in community improvement.

This discussion group approach can be the gateway for you to step in and get things going in your local community.

We suggest that you begin with a specific and well recognized problem. In many communities, improved housing will head the list.

You might ask yourselves, "How many people in my community, who need to know, are actually knowledgeable about the Housing Act of 1961?"



How many people of your area know about the provision for loans to improve the living conditions of migratory farm workers? There has not been much publicity about this new FHA authority. The first loan was approved October 10. It went to the Cooperative Labor Council of Gem County, Idaho. This particular loan has not, I am sure, been widely publicized in other parts of the country.

How many people in your community know of the new legislation for housing for elderly people who live in rural areas? The first loan under the Senior Citizens Housing Act of 1962 was closed October 30, less than three weeks ago.

How many people in your area know that housing loans are now available to people who live in towns of less than 2500 or in the open countryside? They have been the forgotten people so far as housing credit is concerned.

I am sure you will agree with me that except for USDA employees who have been briefed on this legislation and will be responsible for carrying out the work, only a few professional workers and community leaders are fully informed about new housing laws. And if these people do not know of the new opportunities, how can we expect the word to get to the people who stand to benefit from them.

A discussion group that is broadly representative of the community will find very shortly that the benefits from housing improvement and construction can be widespread.

Along with the families who get new homes, the carpenters, painters, lumber yards, and furniture stores share in the economic returns. And the whole community profits from improvements that add to more healthful living conditions, and the beauty and comfort of the area.

You can think of other problems on which the people of your communities can come together in a spirit of inquiry to learn together what needs to be done for rural areas development -- the resources that are immediately at hand-- the credit and technical assistance you can draw from your Government and other sources.

Our imagination must focus on new ideas for helping people to help themselves, for bringing more people into participation of community activities, and for building a thriving rural America.

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Reserve  
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Nov. 29, 1962

It's good to be home. I am particularly privileged to have a part in this 25th anniversary meeting and to join you in honoring the forward looking men who enacted the law setting up soil conservation districts and those who put that law into effect.

I share your pride in what has been achieved--in the wide scale use of improved grasses and legumes, terraces and farm ponds, in the five million acres now under watershed protection; and in the full participation of farmers and other friends of the land who are now members of the 76 soil conservation districts of Arkansas.

So much has been accomplished that we tend to forget how revolutionary the idea of soil conservation demonstrations and districts seemed not so long ago in the early 1930's to many of the short-sighted and faint-hearted.

A favorite charge of the opposition 30 years ago was that the new farm programs made farmers dependent on the Federal government. One critic said that farmers backing soil conservation had seen pictures of the Capitol dome and noticed that it was shaped just like the top of a nursing bottle.

Actually, the so-called revolutionary idea came straight from grass roots ingenuity. As many of you know, legislation authorizing soil conservation districts was patterned after a Texas statute.

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Remarks of John A. Baker, Assistant Secretary, U.S. Department of Agriculture,  
Annual State Meeting of Soil and Water Conservation District Supervisors,  
Hotel Marion, Little Rock, Arkansas, November 29, 1962

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JAN 2 1963

C & R-ASF

In large parts of Texas wind erosion was a problem shared by all who lived on the land. No one, acting alone, could deal effectively with this hazard. The task demanded the efforts of all who could be enlisted in the cause--plus the help of highly trained technicians.

The wind erosion districts of Texas combined two essential elements--cooperation and technology--in a democratic form. They set the pattern for the soil conservation districts that now spread throughout the United States and her territories.

Our observance of the 25th anniversary of soil conservation districts takes note of superb gains--in the care of the land, in the distribution and use of our water resources, and in the participation of people who live on the land.

It's to the glory of Arkansas that the 1937 legislature was the first in the Nation to enact a law that would authorize local people to create and run soil conservation districts as subdivisions of State government.

The people of Arkansas can take further justifiable pride in the record time in which they set up soil conservation districts across the State. By 1955--less than 20 years after the legislature gave Arkansas the green light for setting up these districts, the State was completely blanketed.

Arkansas, also, pioneered in building watershed projects. The success of the Six Mile Creek Project has become a legend across the country. And with 16 small watersheds now approved for actual operation, the State ranks sixth in the Nation as a builder of small watersheds.

Arkansas landowners have matched Federal funds on a cost-sharing basis to the great benefit of the land and the State's economy. These joint investments since 1936--when the ACP program first took effect--now total more than a quarter of a billion dollars. They add up to \$11 million in 1961 alone.

Statistics do not tell the whole story of the gains from conservation measures. But those of us who know some of the details can translate into actual experiences of people who live on the land--how a youngster was able to continue his education through college and become a valued civic leader; how a farmer was able to build up the productivity of the land and remain on the farm and do work for which he had training and talent rather than move away to day labor in some faraway city.

#### New Legislation

Again, as in the 1930's, the Food and Agriculture Act of 1962 has marked another great advance in progressive land use legislation.

Under the new law, many farmers will be eligible for additional services under long-term agreements with USDA to change cropping systems and land use and to develop soil, water, forest, wildlife and recreational resources.

The Act of '62 offers farmers across the Nation an opportunity to apply the program principles that have been worked out with skill and great promise in the Great Plains Conservation Program.



Much of the land coming out of the conservation reserve this coming month--about 1.3 million acres--will be eligible for the new land use adjustment program.

The Agricultural Conservation Program has been placed on a permanent basis.

One of the changes that you will want to study with particular care has to do with the broader purposes for which watershed projects may be planned and financed.

USDA may now share with local public bodies up to half of the cost of land, easements, and rights-of-way for projects to be dedicated to public recreation, to provision of water for industrial use and for future supply of municipal water.

#### Investment in Public Works

Conservation means our forests too. And here the big story is in another law enacted only two months ago--the Public Works Acceleration Act--will mean a lot to rural areas in Arkansas.

Many projects already approved under the new program will materially help communities within or near the three National Forests in the State. A quarter of a million dollars has been allocated to the Ouachita, Ozark, and St. Francis National Forests.

The funds are being invested in timber stand improvements; new work centers for rangers stationed at Clarksville and Ozark; new recreational facilities at Shores Lake and Alum Cove on the Ozark National Forest;

a scenic overlook with a picnic area overlooking Ouachita Lake near Joplin, Arkansas; a bathing beach on Storm Creek Lake in the St. Francis National Forest; and wildlife waterholes in the dry areas on both the Ouachita and Ozark National Forests.

These investments over the next 18 months will pay immediate returns to the economy in 14,000 man-hours of employment. However, the big payoffs are not the immediate gains but the long-term returns that can be expected in building up the forestry and recreational resources of our State.

The activities under the Accelerated Public Works Program will not be restricted to improving the National Forests; community benefit work in soil and water conservation districts and more rapid development in connection with watershed projects are also eligible.

Within the next 10 years the Forest Service will plant 176,000 acres to trees and improve timber stands on another 392,000 acres. The U. S. foresters are scheduled to re-vegetate nearly 10,000 acres of livestock range, improve game habitat on more than 160,000 acres, and improve fishing on some 80 miles of stream. The plans call for 400 new camp grounds, picnic sites, and related recreation facilities.

In other words, the National Forests in Arkansas will be improved and upgraded to serve the millions of visitors who will be drawn to the State in coming years.

It's our intention to make the National Forests a vital part of the great recreation and resort complex that's being built by local people and State and Federal agencies.

Rural Areas Development

On this 25th anniversary of soil conservation districts, we see exciting new opportunities to improve the land, water, and forest resources for the benefit of people who now live here and who will move here in coming years.

Our great challenge is to bring people back to the land -- to make Arkansas a place where people can, not only enjoy life fully, but can earn a living that matches the best anywhere.

We believe this challenge can be met through determined and imaginative application of all aspects of rural areas development.

Rural areas development is an idea that begins with the rural people themselves. They set the goals they want to achieve for themselves and their neighbors on an area-wide basis. Then they draw on whatever resources are needed from the great array of institutions, agencies, and enterprises reaching from local firms to the Federal government -- a concerted cooperative effort to establish a firm foundation for permanent prosperity that will start Main Street cash registers to ringing more often and more merrily.

The people of each area must see the opportunities for development in the light of the resources and problems that distinguish it from all others.

We are convinced that a prosperous rural America can and must be built by the people and for the people who live in rural America.

Our views have been strongly reinforced over the past few weeks. They have been reinforced by some 10,000 people who attended the 5 regional Land and People Conferences around the Nation.

Some of you attended the Conference in St. Louis. Others were at New Orleans. In addition, we held Land and People Conferences in Portland, Oregon; Denver, Colorado; and Philadelphia, Pennsylvania.

The city people, as well as rural people, came to the conferences because they wanted to discuss the future of rural America -- because they are concerned about changes that have transformed our agriculture ... and because they see exciting possibilities for making rural America a good place to live and a good place to earn a living.

We realize that rural areas development is a vast undertaking. It requires comprehensive preparation. It calls for synchronized action to build factories, to develop adequate family farms, and to expand business enterprises.

It takes overall planning and smooth teamwork to provide better public facilities such as rural electric systems, telephones, housing, water and sewer systems, swimming pools, and better schools.

The 87th Congress took the steps needed to help the people of this Nation help themselves in developing rural America. The Area Redevelopment Act of 1961 authorizes long-term, low-interest-rate loans for the development of industries and public facilities -- loans that will be repaid by the people who enjoy the benefits from the improvements.

When President Kennedy took office last year, he and Secretary Freeman moved rapidly to strengthen rural credit facilities.

Congress granted their request for a complete overhaul and modernization of the basic law governing the Farmers Home Administration.

The Agricultural and Housing Acts of 1961 brought a number of improvements.

The FHA measure raised the amount of operating loans a borrower may obtain from \$20,000 to \$30,000. It provided loans to the full range of family farmers to acquire and enlarge farms. It authorized insured loans up to 100 percent of the normal value of the farm. It provided loan assistance to farmers and ranchers who are hard hit by natural disasters but not in a designated "emergency loan area." It removed restrictions on loans to farmers with little earnings from sales of farm products. It eliminated the mortgage requirements to secure small loans for real estate improvement. And it placed authority to make real estate loans for refinancing on a permanent basis.

The 1961 legislation took note of the fact that a rising number of rural residents are not farmers. It authorized loans for the development of water resources to associations of rural residents even though all of them may not be farmers.

The housing loan program was broadened to include eligible non-farm families living in the open countryside and in small towns of up to 2500 population and other improvements in the rural housing program were made.

The impact of these changes in legislation can be seen in Arkansas in the rise of FHA loans. Insured loans to farm families who are buying their own farms went up sevenfold -- from less than \$637,000 to more than \$4,400,000.



As you know, under the insured loan, the family borrows the money from a local bank. USDA provides the loan insurance and supervises the credit.

Rural housing construction got a big lift too. FHA loans under the 1961 Act brought an investment of more than \$3 million in Arkansas this past year. There's probably no investment that has a more immediate multiplier effect on the national economy than housing.

Early this year, we made a study in Marshall County, Alabama, on the economic benefits of our rural housing program. The 28 homes built in the area cost less than \$10,000 each. But they provided jobs totaling 37,000 man-hours for contractors, bricklayers, electricians, carpenters, and other laborers. The cost of the material for the buildings amounted to \$195,000. And counting the purchases from building supply firms and furniture stores, these new homes accounted for more than a million dollars in new business -- plus the less tangible but highly valued gains that comfortable new housing meant to the families themselves and the entire community.

FHA loans for soil and water conservation and watershed protection in Arkansas in 1962 were up more than tenfold over those of 1960. The major increase was in watershed protection loans -- from only \$15,000 in 1960 to more than \$528 thousand in 1962. And there was a substantial increase in insured soil and conservation loans as well -- from a little more than \$70,000 in 1960 to over \$200,000 in 1962.

The new 1962 Food and Agriculture Act carries further improvements in the Nation's rural credit structure. Farm families of Arkansas will be particularly interested in a new type of FHA loan that helps to finance the development of income-producing recreational facilities as additional farm enterprises; also the loans for fish farming sponsored by your own Senator Fulbright.

In closing I would like to take this opportunity as the Assistant Secretary of the U. S. Department of Agriculture to thank each of you for your contribution to the success of the soil conservation districts of Arkansas.

I would like to thank you also for your part in other activities that are bringing new life to the rural economy of Arkansas. Although we live in an era of specialization, most of you have a multiplicity of interests. Your work is not limited to soil conservation. Many of you, I know, are fully participating members of the rural electric cooperatives. And in that role you are making the decisions that are moving the Arkansas Electric Cooperative Corporation forward to provide more power for rural enterprises. Recently I participated with your Governor in opening another rural telephone system financed by REA. All of these developments provide more industry, more prosperous farms, more attractive recreational facilities for tourists and home folks, more electric power, more soil, water and forest resource development and conservation, better roads and communications in rural areas -- all these -- add up to a new move forward by Arkansas -- your State is on the move again.

You are laying the technologic foundations for a thriving economy -- 25 years from now and I salute you. May we all meet again at the golden anniversary celebration of the Arkansas Soil Conservation Districts.

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Jan. 30, 1963

## NEW OPPORTUNITIES FOR FORESTRY

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The demands on forestry -- always a vital part of this Nation's rural economy -- have substantially increased over the past two years.

These demands have taken on new proportions as we have put the spotlight on the people of rural America. And the spotlight has revealed people who are sorely troubled.

I'm sure I don't need to elaborate the difficulties to this audience. You have seen the evidence at first hand.

You know the breadwinners who must have jobs to support their families. They come to you seeking work. More than half of the counties designated as labor surplus areas are the heavily wooded counties. They are counties with 50 percent or more of the land in woodland.

You know the dilapidated shacks -- the rural slums -- scattered through those counties and the youngsters who live there. It's hard to believe that in this rich Nation one of every five young people in the rural areas is growing up in a family with low income -- less than \$2500 a year.

You know the farmers with woodlands, the mill owners, and the other business men who are struggling to keep their enterprises going.

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Talk by John A. Baker, Assistant Secretary of the U. S. Department of Agriculture, at the Annual Conference of State Foresters of the North Central Region, Milwaukee, Wisconsin, January 30, 1963

And you know the pockets of opportunity for rural economic growth. You know the potential that can be developed if the people who live in the area can be rallied to the effort.

You are a vital link in the effort to increase job opportunities and raise living standards in rural America. You are also in position to start a chain reaction of more remunerative business transactions that will make the cash registers of Main Street ring more often and more meaningfully.

I regard it as a special privilege to discuss with you measures taken by the Kennedy Administration and the 87th Congress that will backstop and extend your efforts.

You will recall that President Kennedy set the stage for change when he said: "We must show the world what a free economy can do, to reduce unemployment, to put unused capacity to work, to spur new productivity, and to foster higher economic growth within a range of sound fiscal policies and relative price stability."

Two of the tasks he mentioned in his list of specifics had special meaning for forestry. They are: to redevelop our areas of chronic labor surplus and to increase the development of natural resources. Here the communities in forested areas are our special concern.



Secretary Freeman moved very early in his administration to re-direct the Department's resources so as to encourage rural areas development. He gave new emphasis to efforts that could create and strengthen opportunities for the unemployed and underemployed in our rural communities.

During the past two years, the 87th Congress enacted a series of far-ranging measures on resource development -- including that of manpower.

I would like to review, briefly, the major changes that have been made over the past two years.

The first has to do with rural credit. In these days of technology, nearly every enterprise with a potential for economic growth requires a large capital investment. Credit provides the impetus.

Credit for rural enterprises has been extremely limited over the past decade. The 87th Congress enacted a number of measures recommended by the administration to make credit available to rural people in amounts and of a kind they had not previously been able to obtain.

The Area Redevelopment Act of 1961 authorizes long-term, low-interest rate loans to individuals and public bodies for the development of industries and public facilities -- loans that will be repaid by the people who enjoy the benefits of the improvements so financed.

Another important step to improve the rural credit structure was the modernization of the basic act of the Farmers Home Administration -- the agency that provides supervised credit to farm families who cannot qualify for loans from commercial lending agencies.



Still another improvement in credit for rural people came with the recognition that more and more of these people are not farmers.

Previously, water-development associations in rural areas had to limit their membership to farmers to qualify for loans. Under the new law, membership can be extended to rural residents who do not live on farms.

The housing loan program has been broadened to include eligible non-farm families living in the open country-side and in small towns of no more than 2500 people.

There is probably no investment that has a more immediate multiplier effect on the national economy than housing.

Last year, we made a study in Marshall County, Alabama, on the economic benefits of the rural housing program. The 28 homes built in the area cost less than \$10,000 each. But they provided jobs totaling more than 37,000 man-hours for contractors, bricklayers, electricians, carpenters and other laborers. The cost of the building materials amounted to \$195,000. Purchases from building supply firms and furniture stores made the new homes account for more than a million dollars in new business -- plus the less tangible but highly valued gains that comfortable new housing meant to the families themselves and the entire community.

The 1962 Food and Agriculture Act provides further improvements in the Nation's rural credit structure. The change permits the Farmers Home Administration to lend money to farm families for the development of income-producing recreational facilities as farm enterprises. These enterprises can include fish farming.

Along with improving the rural credit structure, Congress has increased appropriations for rural loans. Further, Congress has made it possible for rural electric cooperatives to extend and improve power and telephone services to meet the needs of the areas they serve.

The Agriculture Act of 1962 marks a turning point in land-use legislation. It is designed to encourage farmers to change cropping systems and land use and to develop soil, water, forest, wildlife, and recreational resources. It places the Agricultural Conservation Program on a permanent basis and makes many farmers eligible for additional help under long-term cost-sharing agreements with USDA.

The new emphasis on private woodlands and outdoor recreational enterprises places heavy responsibilities on forestry now and in the years immediately ahead.

I hope the State Foresters will take the lead in showing landowners how to plan for multiple-use management of their woodlands. Local rural areas development committees are calling upon specialists in recreation, wildlife, and water management for help in drawing up and carrying out the overall economic development plans. Many of these specialists -- both State and Federal -- are serving on Rural Areas Development Technical Action Panels. We appreciate the cooperation that State Foresters have extended in this work.

Timber and its products are destined to play a big part in rural areas development. Much more remains to be done. A review of accomplishment by the people of this Region reveals the varied nature of multiple use opportunities of forested and adjacent lands and communities. Let me cite a few cases to illustrate what I mean.

In Illinois an ARA loan for \$61,000 has been granted for a recreational development at Lake of Seven Fingers in Macoupin County. The development will include swimming facilities, an 18-hole golf course, a 9-hole miniature golf course and 10-unit motel.

A particle board plant is under construction at Iron River, Michigan. This plant will provide 30 new jobs in the plant, besides offering a market for low-grade wood in the surrounding area.

ARA on-the-job training will be given to employees of the plant by Forest Products Research and teaching personnel at the Michigan College of Mining and Technology.

Northome, Minnesota, has a new cedar products plant employing 15-18 local people. Doniphan, Missouri, has a new woodworking plant that makes wooden furniture frames. This company will provide 35 new jobs for the Doniphan area.

In North Dakota, the industry committee of Bottineau County is investigating the possibility of using wood chips for mulch, sawdust for sweeping compound and diamond willow for lamp stands.

Ohio University has received an ARA grant to study the commercial tourism potential of Hocking County. Other Rural Areas Development projects include charcoal plants in Minnesota and Missouri, a plant to make patio and recreation room furniture from white oak barrels in Missouri, and many recreational projects in several states.

Another example -- though not from this region -- illustrates some of the possibilities we see in rural areas development.

Fifteen small mills in the area of Plummer, Idaho, were losing business because they had no equipment to dry and finish the lumber.

With the backing of the people of the area they formed a cooperative, raised more than a quarter-of-a-million dollars, and have bought the new equipment.

A considerable part of nearly \$32,000 raised locally by a nonprofit organization, came from an Indian tribe whose members work in the timber and at the mills. The Area Redevelopment Administration loaned the new cooperative a little more than half of the funds needed. The participating mills invested as much as was feasible. The remainder, some \$80,000, is a loan from the Kootenai Rural Electrification Association, which serves the area.

I would like to mention some other recent developments at the national level which will benefit rural areas. One that is providing jobs for thousands of previously unemployed workers is the Accelerated Public Works Program. Many of these workers are planting trees, constructing recreational facilities, doing cultural work on national forests and building roads. Thus, thousands of other people will benefit from their labors.



We see an enormous potential in the work on which you are now doing -- in helping farmers learn multiple-use management of small privately-owned woodlands. Individually, these woodlands may be small. Taken altogether, they represent a major rural asset. They provide the resource base for farm income, local jobs, and wood using industries.

Under your leadership, multiple-use of privately-owned woodlands can become one of the most profitable and stabilizing enterprises in rural America.

All of these things augur well for the revitalization of our rural areas.

You know the great variety of ways that forestry will contribute to this revitalization. A good example comes from a recent forest resource survey under the State-Federal Cooperative Forest Management Act.

A forester -- a State employee, in this instance -- noticed several sawmills that burned all slabs and edgings. Then he saw a wood chipping plant being skeletonized because of supply problems. This plant chipped bark and wood together and removed the bark in the pulping process. But the plant couldn't get the roundwood and unbarked slabs needed to keep going.

The forester brought the owners of the sawmills, the chipping plant, and a paper company together. As a result of his effort, growers have a market, the sawmills have a market, and the chipping plant has supplies.



It is converting from 250 to 400 tons of slabs to chips weekly. And local payrolls have been boosted accordingly -- by \$1,000 to \$1,600 a week.

That's a good example of a forester who was in position to start the chain reaction leading to the merry ring of cash register bells on Main Street.

You will find yourself in a similar position many times in the months ahead. And I want to hear about your experiences and the experiences of the men with whom you work. I want to hear about them and tell others about them.

The demands on forestry are increasing. So are the opportunities to realize the promise of forestry for making rural communities and our entire Nation strong in the years ahead. And that is the prospect to which we must dedicate ourselves.

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I am proud and gratified again to be extended the privilege of your convention platform.

I first had this honor 20 years ago on Petit Jean Mountain in my home State of Arkansas. This year we are meeting at the center of the world's largest metropolitan area -- at the Capital of the United Nations.

Your holding your convention here has a double significance.

This is first a symbol of the cosmopolitan convictions and program of your organization. Farmers Union has never been characterized by the narrow parochialism of agrarian fundamentalism. You have been for all humanity and for farmers as part of the human race -- for legislation in the national and world interest rather than narrow sectional interest. Your programs demonstrate your convictions that the interests of workers and farmers -- of city people and rural people -- of big business, small business and farming -- of teachers and students and doctors and patients are like the strands of a single piece of cloth -- indeed that all of humanity is a cosmos -- that each human being, wherever he lives, is an individual of infinite worth.

Second, your meeting here is a symbol, also, of your forward-looking action program among rural residents of this great northeastern metropolitan area. You have grasped the challenge presented to rural land owners of the exploding need and demand of people in the cities for healthful, relaxing, restorational, rural, outdoor recreation opportunities. In this area Farmers Union is pioneering with a new kind of farm-income improvement program -- a newly-recognized rural

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Address by John A. Baker, Assistant Secretary, U. S. Department of Agriculture,  
before the National Farmers Union Convention,  
New York, New York, March 20, 1963

economic and social enterprise that will tie town and country and city even closer together -- provision for a fee by farmers, and groups of farmers, of outdoor recreational space, facilities and service that people of the city can use as personal participants rather than as spectators. Nowhere is this highly important, practically brand new farm income-producing outdoor recreation phase of the nationwide rural areas development effort being more intelligently and vigorously pushed forward than in your efforts in New York and Pennsylvania.

Meeting here with you in 1963 in New York City, I am pointedly reminded of the various subjects I have discussed with you at earlier conventions.

Two of them seem particularly pertinent.

#### Eight Bad Years

First, I am reminded that in Springfield, Illinois, toward the end of the recent 8 bad years, I documented the highly successful rear guard defensive fight you had waged. You thwarted the attempts of the Crystal Crusade wrecking crew to destroy your price support programs -- to dry up your rural credit programs -- to fold up or give away your crop insurance programs and electric power sites -- to weaken and destroy your rural electrification, telephone and soil and water conservation programs. Yes, you fought a valiant defensive fight throughout those eight bad years that defeated official efforts to shove you down the shuttle of the sliding scale.

#### Rural America Was at Low Tide

And, second, meeting here in New York reminds me of the article from the New York Times that I used in my remarks to your Convention in 1962. Your rear guard fighting in the 50's held body and soul together, but by 1960 rural America had been pushed down to the lowest of economic, cultural and political depths. Many of you will remember the passages from the article I cited to you a year ago but they bear repeating.

Published in the New York Times Sunday Magazine of March 4, 1962 --/an article<sup>was</sup> titled, "Voice of Ninety Million Americans" -- written by a distinguished political scientist at one of New York State's great institutions of higher learning, Professor Andrew Hacker. His scientific analysis documents the Rural America's low tide at the close of the 1950's. The article is the milepost marking rural America's lowest ebb.

Here in Professor Hacker's words was the situation in 1960:

"Ninety million Americans, nearly half the population, still live on farms or in towns with fewer than 25,000 inhabitants. This part of the population has not been sharing in the prosperity that supposedly characterizes our affluent society. Despite pleas and inducements, industry is not moving to these areas to the extent it is needed, and small local businesses are suffering from the competition of large national corporations. The young tend to leave, especially those with skills, education and ambition.

"Nevertheless, the citizens of provincial America remain convinced that the values of the small town and small business, and local self-government remain the bedrock of our national character. The institutions of the family, the local church and school, the independent enterprise, the town meeting -- all these reach their highest development in the hinterland.

"At the same time these Americans are aware that they have been losing status and power in the past several decades."

Continued loss of status and prosperity of rural America, if allowed to proceed, Professor Hacker warned, would be accompanied by severe nationwide social and psychological deterioration, shocks and strain that would greatly weaken national strength required to carry out its worldwide responsibilities.



As members of your organization know, official Federal policy during the 50's held that efficiency and progress with fewer farms, fewer people in the countryside reduced the need for political and governmental attention to the aspirations of rural America. Speaking from the conclusions derived from his scientific research, Professor Hacker rejected that argument.

"It is worth pondering" he said, "whether the conception of 'progress' should be gained at such a mighty cost. For there is cause for genuine mistrust and bitterness already existing in many American minds and hearts, and its further unleashing may bring serious dislocations to the nation as a whole."

"If," the author said, "this nation can afford billions for defense and foreign aid, it can also afford to give some help and understanding to the rural sections of the country that are experiencing difficulties in moving ahead with times not of their own choosing."

"The nation," he prescribed, "must make an effort to take seriously the values and the way of life that the people of rural America are trying to keep alive, and

"The nation must make increased Federal expenditures on services for people in rural America."

That was the situation in 1960 -- the low tide of Rural America. You voted in a New Frontier national administration that was determined to drive ahead to mount a nationwide campaign for rural renewal; to re-establish the ancient merits and values of rural life; to make rural America a vibrant, prosperous, attractive place to live and work -- a place where a new life can be born with equality of opportunity and a realizable hope for security, dignity, and fulfillment as a human being.

President Kennedy and Secretary Freeman and a majority of United States Senators and Congressmen join Professor Hacker in viewing rural revival as an essential element of overall national policy of deep historic significance far beyond the highly important considerations of higher incomes of 90 million rural Americans and more rapid economic growth in the spreading miles of rural countryside. They see an improvement in the cultural and political as well as the economic aspects of small town and country America as fundamental to the solution of high priority problems faced by the entire nation for its preservation and continued progress.

#### National Purpose of Rural Areas Development

The half of America that is rural must have a rapid economic growth if metropolitan America is going to grow rapidly enough to prevent dangerously high unemployment in an era of automation and rapidly expanding labor force.

The half of America that is rural must have the will and the means to provide the outdoor recreation opportunities that are needed in increased supply by the rapidly increasing numbers of city people in the metropolitan America.

The half of America that is rural must for the benefit of all America make changes in the economic structure of its business operations and land use in order greatly to reduce the heavy burden on both taxpayers and farmers of too much land devoted annually to crop production.

The half of America that is rural is the custodian for all of America of the nation's natural resources of soil, water, forest, fish and wildlife, and open space which an increasing urban industrial society must and will preserve and improve. The half of America that is rural must expend the time, energy and treasure that will be required to protect and develop these precious national natural resources.

On behalf of all of America, the half of America that is rural must demonstrate that democracy and free enterprise contain the hope of the struggling masses around the world, 80 percent of whom are rural. The half of America that is rural must provide the example, a beacon of hope, that will encourage the emerging nations of Africa, Asia and Latin America to choose democratic rather than totalitarian slave state methods of economic development.

The half of America that is rural must preserve for benefit of all of America the family farm pattern of agriculture that has provided the entire nation with more and better food, clothing and shelter at less cost than in any nation of the history of the world -- the American family farm that is the envy of the rest of the world -- the American family farm that has performed the productive efficiency miracle of history.

Rural leaders all over the country, 50,000 of them, are already dedicating themselves to this task. Citizen groups, farm organizations labor unions and local Governments are moving ahead. We welcome their efforts; we are glad that they are impatient. Only local people and their organizations and their local Governments can develop the drive that will get the job done. We realize local people and state governments cannot do this big job with their own resources alone. They need additional tools; tools that can be supplied only by the Federal Government.

Secretary Freeman's driving leadership has released and stimulated the Department of Agriculture with its many resources to come alive. Today it is active and dynamic as I know you want it to be. We hope to respond effectively, efficiently, and fully to local demand for loans and capital investment and technical services for sound rural areas development efforts, projects and enterprises.



Secretary Freeman and President Kennedy have set up an organizational structure designed to get the job done. Congress has backed them up with new and improved and expanded legislative authorizations and needed appropriations.

Success in the wise development of the people, of the natural resources, and of the communities of rural America will depend not only on the resources that the Federal Government can provide, but also and even more importantly upon the local people, the local communities and areas and their voluntary private organizations. But, as members of Farmers Union know, the missing ingredients that led during the fifties to the serious situation of rural America in 1960 that Professor Hacker described was failure of Federal response -- failure of the Federal Government to rise to its responsibilities.

The current national Administration with the cooperation of Congress has tried the past two years to fill these gaps.

The past two years have brought higher farm income ... net farm income in 1961 was \$12.8 billion, up \$1.1 billion from 1960 ... in 1962 it climbed to \$12.9 billion.

Gross farm income increased to \$40.6 billion in 1962, up nearly \$750 million from 1961 ... reflecting an increase in government payments of about \$300 million and about \$450 million in higher cash receipts resulting from the higher price support levels that Secretary Freeman put into effect when he took office.

Better farm income has brought a higher level of business activity which carries from the Main Street on through to the factory. The higher price support levels alone generated 200,000 new jobs in our national economy.

Barron's Weekly in a recent article on the farm equipment industry described 1961 and 1962 as "THE TWO FAT YEARS" for farm implement makers. We hope nothing happens in 1963 to change the trend.

And farm income is being raised in ways that save rather than squander the taxpayers' money. Grain surpluses are being reduced. CCC holdings of wheat and feed grains have been reduced by over one billion bushels from the peak quantities held in 1961 before the new programs were effective. It means the 1964 appropriations for carrying charges on these grains will be \$264 million less than was spent in fiscal 1961 -- or \$770,000 per day. The charges are \$813 million less than our costs would have been this year had we done nothing to change the pre-Benson programs.

If Benson's sliding scale policies had not been repealed the Government would have had 2½ billion bushels more grain. Changes in the commodity programs are saving the taxpayers over 2.2 million dollars per day.

While the farmer has been doing better, and surplus stocks of wheat and feed grains are coming down ...the consumer continues to enjoy a bargain in food. Last year, in fact, food costs took only 19 percent of the average family income -- the lowest in history ... and far less than people in any other nation pay today or at any time in the history of the world.

Recently, the Upper Midwest Economic Study, which several Farmers Union organizations support and encourage, published an agriculture report which discusses some of the very problems President Kennedy and Secretary Freeman are attempting to meet through RAD.

The report stated: "The adjustments stemming from the 20th Century agricultural revolution do not end with directly related farm businesses such as machinery dealers and grain handlers. The adjustment affects overflow into long-standing social and political institutions such as rural churches and schools, township and county units of government, and taxation policies. The rural towns and even the large cities are deeply involved."



RAD seeks to ease the adjustment ... not by forcing people in rural areas to seek better opportunity in the city ... but by bringing new resources and better opportunity to the rural community. People should have equal job opportunities in rural areas as well as urban areas ... and this can be done by using land, not idling it ... by using resources in ways that conserve, and serve the real needs of all people, particularly new uses that people in the city want and need in greater volume, particularly outdoor recreation opportunities and open space.

What the Administration is doing in rural areas development is not news to Farmers Union people. Your members, your locals, your county, state, and national organizations have been active participants these past two years. Your efforts helped enact the necessary improved legislation. Your official program has called for expansion and improvement of these programs for many years. Your National President, Jim Patton, and others of your leaders are members of Secretary Freeman's Rural Areas Development Advisory Committee. Tony Dechant and Flossie Harris Nikkel, state presidents, and other leaders have been tireless in their work. Members of your Washington office -- Reuben Johnson, Angus McDonald, Dwyte Wilson, Francis Kelly, Dick Shipman and John Eklund -- have been tirelessly and highly effective in their efforts to get this rural areas development effort on the road -- to get rural renaissance launched and underway with a full head of steam.

Here is the accounting of our results so far in terms of Federal finances and services that have been made available for the effort:

- Rural housing loans are already 5 times greater -- up from 40 million dollars in 1960 to 192 million in fiscal year 1963 and President Kennedy has recommended the annual ceiling be raised to 300 million per year;
- For senior citizens in rural areas, Congress in 1962 enacted broadly useful and entirely new programs of both apartment and village-type group housing as well as individual family housing loans;

-- Real estate loans are seven times greater this year than in 1960 up from 29 million dollars to 200 million for farm enlargement and improvement as well as to enable young marrieds and tenants to become farm owners;

-- Loans to farmers for farm operating and family living expenses are up by 100 million dollars above 1960;

-- As many of you will recall, Congress in 1961 enacted a complete recodification of modernization and improvement of the current credit laws administered by Farmers Home Administration. The new legislation put into law improvements along the lines of the recommendations of the Presidential Commission on Farm Credit established by your National President Jim Patton back in the middle fifties;

-- In 1962, Congress took additional action to improve and expand those rural credit programs not only by addition of the Rural Senior Citizens Housing Act, I have mentioned but also by expanding the regular farm ownership and operating credit program to cover income-producing outdoor recreation facilities and their operations, and to include fish farming in addition to the new farm forestry loan program. In 1962, Congress, also expanded the water and soil conservation program of loans to non-profit groups of rural residents to include the costs involved in making desirable shifts in land use, including those from crops to recreation, wildlife and grazing;

-- The operation of loans for drought, flood and other emergency farm loans has been improved and streamlined;

-- Loans in connection with watershed protection and flood prevention were 50 times greater in 1963 than in 1960;

-- Rural electrification loans have been approximately doubled since 1960;

-- Loans for generation and transmission facilities are up almost four times from 89 million dollars in 1960 to 278 million dollars in 1963;

-- The volume of REA rural industrialization and power use loans is 5 times greater in 1963 than in 1960;

-- In total the volume of credit resources planned to be made available by the U. S. Department of Agriculture in 1963-64 in rural areas is almost 1 billion dollars greater than in 1960;

-- In 1962, Congress enacted a completely new program of long-term contracts to provide technical service, cost-sharing and transitional payments to farmers who make fundamental needed shifts in farm land use from crop production to recreation, fish and wildlife, grazing, and farm forests: (This cropland conversion program is just now getting underway in about 100 pilot counties, at least one in each state.);

-- The farm storage-facility loan program has been expanded and improved;

-- The agricultural conservation practices program which has meant so much to better land conservation particularly here in the northeast has now been placed on a footing of permanent legislative authorization by Congress and the content of the program has been revitalized to emphasize more permanent improvements;

-- In 1962, Congress enacted an entirely new program of federal loans and service for locally-directed rural renewal projects, which is an application of the successful urban renewal project idea to eliminate the deep-seated causes of severe rural poverty in concentrated areas of low rural incomes and community standards -- exploratory work in a number of states is already underway;



-- Rural community facilities and water system loans and community facility loans and grants of the Area Redevelopment Administration and the Housing and Home Finance Agency have been greatly expanded;

-- There has been a significant increase in technical service to 1,950,000 cooperators of the 2,936 soil and water conservation districts that cover 96 percent of the privately-owned land of our nation. Provision of technical services has been increased by 10 million dollars above 1960;

-- A planned schedule for completing surveys in and plans for all of the nation's great river valley basins within this decade has been established -- and as your program supports -- water and related land resource development has been placed on a comprehensive river valley basin basis;

-- Watershed protection and flood control projects have been speeded up and given new purposes -- outdoor recreation -- industrial water supply and municipal water; (New starts have increased from 39 in 1960 to 60 in 1963 -- projects completed increased from 6 to 29, almost 5 times as many -- funds available have been more than doubled.);

-- An entirely new program of Resource Conservation and Development projects has been inaugurated under the Food and Agriculture Act of 1962 -- local groups of sportsmen, boys' clubs, and other people from the city can team up with rural land owners to their mutual advantages in outdoor recreation opportunities, resource development, and higher farm incomes;

-- Improved management of national forests and grasslands has not only provided a better grade of stewardship for these natural resources, but the additional 50 million dollars of expenditures have added approximately 15,000 new non-farm jobs in rural areas and 7,000 more in metropolitan areas;



-- Technical services and grants-in-aid to state and private forestry cooperation extending from reforestation and management of farm woodlots to fire protection and insect and disease control have been expanded by 3½ million dollars from 1960 to 1963;

-- With strong help from Farmers Union, we obtained in 1963 the first appropriation increase in two decades for the expanding program of research, education and service to assist farmers' cooperatives to solve their increasing complex problems;

-- Grants from ARA funds are now available to local rural planning and development groups to obtain special technical and professional and expert advice and facts;

-- Educational and organizational assistance provided through the cooperative state extension service to local rural planning and development groups has been given greater emphasis and broadened scope and application;

-- We are seeking with your help to obtain additional appropriations for expanded scientific research in economics, forestry and the physical and biological services to obtain data needed to chart out and soundly speed up the RAD effort;

-- Watershed projects, outdoor recreation developments, rural housing, rural electric power and rural telephones working together are attracting new factories and new businesses to rural America. Some obtain special needed financing from Small Business Administration, Area Redevelopment Administration and from Rural Electrification Administration where needed credit is not available from other sources;

-- In addition to these RAD services of the U. S. Department of Agriculture, other important helpful assistance to RAD efforts is also available from the Small Business Administration, the Community Facilities Administration and other agencies of the Housing and Home Finance Agency, the Interior Department, the civil works program of the Army Engineers and the agencies of the Department of Health, Education and Welfare, including the state and local vocational education departments.

Altogether these Federal RAD activities add up to a list of more than 50 separate programs. Congress provided them because you needed them -- because you said you wanted them -- Congress made them available to you to be used as a small but important supplement to your own efforts.

The President and Congress feel that these Federal aids to local effort, the cost of which is paid out of the U. S. Treasury by all U. S. taxpayers, are justified by the need to attain the broad national overall high priority goals that I mentioned at the beginning and that can only be reached by success in the rural areas development effort.

None of these great national purposes can be achieved overnight nor in a single fiscal year. Some may not be fully accomplished within this decade. But we have made a start. We must speed up our rate of progress.

In our concern for better balanced land use, a better brand of conservation of soil, water, forest, wildlife and recreation values, we must not forget people are the starting point -- and the goal -- of rural areas development. In democratic area planning and development, decisions are not properly made by some far away managerial elite who decides what they think is best for people and then does it to them. Democratic decision-making in area planning as elsewhere must be widely dispersed among families, farms and firms acting through their voluntary and democratic institutions.

The motivating forces in rural areas development are aspirations and felt needs of the people who live on the land. Efforts of rural folks to attain their aspirations must, of course, take into account their impacts on the rest of the economy and upon national goals. But let us not lose sight of the fact that people are why we are concerned.

RAD is a major new thrust toward rural renaissance for more rapid rural progress -- the first major new direction, Secretary of Agriculture Freeman has said, in agricultural policy in three decades. The new direction has been charted by new programs set up by new laws enacted by Congress and by redirection and reemphasis of old programs by Executive action. It is aimed not only to give direction, purpose and hope to rural America in a time of great and rapid change; RAD is also a concerted effort to attain several related high priority national goals whose attainment must be accomplished by the people and on the land of rural America.

Many of you are active members of county and state rural areas development committees. Through the efforts of your rural electric cooperatives, through your soil and water conservation districts, through the democratically-elected county and community farmer committees, through your county and state RAD committees, you are making full use of the resources of the Department -- the outstanding educational and technical planning services of the Cooperative Extension Service and your great state universities, conservation, credit, forestry, recreation, industrial development loans, education and other public services -- to solve community problems and end poverty everywhere. This is R-A-D -- it is aimed at tying together the many valuable services into a unified package to help you to deal successfully with problems on a community or area basis.



Farm leaders along with local bankers, businessmen, labor union representatives, public utility corporations, church groups and others, local and state chambers of commerce, supervisors of soil and water conservation districts, members of county and community elected farmer committees are active throughout rural America. Production credit associations and land bank association boards and the leaders of the other kinds of farmers' cooperatives are taking part.

Your Federal government wants to help you to extend your rural renaissance -- to encourage you in your great surge forward -- a majority of the Congress is backing you -- President Kennedy and Members of his Cabinet, who direct the great Departments of the Executive Branch, are backing you. New, and improved old, programs of financial and technical backstopping have been made available by the Federal government to local rural areas development groups.

We are all aware that rural America is much more than farm country. Rural America consists of most of our land, half the population of our nation, and the fountain springs of almost all its waters and its woods. It is farms and ranches. It is towns and small cities -- 25,000 of them -- all of these make up the vast expanse of rural America.

Farmers are the backbone of this community. Farming holds it together. If the farmers are economically strong -- if the farmers are prosperous, then the rural community is economically strong and prosperous.

This rural America is the great heritage of space that our colonial forefathers found. It contains the vast lands that homesteaders began to settle barely a century ago. It is the birthplace of our democracy. It is where democracy is still nurtured as the government of the people, close to the people, and responsive to the people's needs and desires.



This is the rural America that has shaped our American way of life. But this is also the rural America that was forced far behind by unfavorable national policies for 1953 to 1960. This is the part of America that must catch up and march on in the progressive surge forward of our entire society.

None of us advocates development of these rural communities as a nostalgic effort to turn back the clock to the good old days. Neither do we believe that rural development is impractical, nor, that we are destined to be a nation exclusively of gigantic cities and a few thousand huge corporate farms. The truth is rural population will continue to grow. There will be more rural population in the year 2000 than there is now.

Those of us who talk so much about rural areas development, may at times sound a little nostalgic -- but we are practical, hardheaded realists, too.

America was founded on the rural frontier and shaped by it. The pioneer spirit surged over the Atlantic and across a continent. Our forefathers met their challenge and settled a continent and built history's most enduring democracy.

That pioneer spirit of the rural frontier is still alive right here in New York and Pennsylvania and Vermont and throughout the nation. A great surge forward is again stirring. Again in our time the rural frontier is the seedbed of American democracy. The American frontier spirit is rising to meet the challenges of our time.

Historically, rural America was the new frontier. Today it still is a new frontier.

Local citizens and their action organizations in all of our rural areas can again apply the pioneer spirit of enterprise and opportunity. Using Government tools to supplement their own efforts they can build buying power in rural trade areas -- bring prosperity and more satisfying family and community life to every square mile of our land.

We in the Department of Agriculture are determined to give you all possible support as you push ahead in a vast nationwide action program for rural areas development and rural community improvement.

With freedom, peace and preservation at stake, we must succeed. We will!

In area after area, we are witnessing the widespread beneficial effects of better farm income -- main street merchants are selling more goods. A new spirit of prosperity and growth is being generated in rural America -- stepped-up business activity -- more factories -- improved income -- more sales -- and improved community facilities are being built -- better teachers' salaries -- better schools -- more hospitals -- more rural communities with water and sewer systems -- better rural housing. Everywhere the evidence abounds that development in rural areas is moving faster -- everywhere is evidence that RAD efforts are paying off.

Rural bank deposits went up 6 percent during the past year. Total deposits in insured rural commercial banks, in a representative sample of 618 rural counties rose during 1961 by \$408 million -- a probable nationwide increase of \$1½ billion. Improved business conditions -- more income -- more bank deposits -- in rural areas.

The process is self-accelerating -- the increased local funds that are being built up can be used for more new local investment. This will generate more jobs in rural America -- more employment -- more purchasing power -- still more rapid economic growth in rural areas -- more bank deposits -- more investments -- repeated launchings of better times. These are unmistakable signs that the grain of history again moves toward better times in towns and country -- that the tide of the time is moving agreeably in rural America.

If we vigorously push forward these favorable forces, rural America will regain the grandeur and the dignity that commended rural life to the nation's founding fathers.

Truly, a rural revival is underway that is reversing the adverse trends of nearly a decade of decline. If this uptrend continues, future historians may well record that a new rural renaissance began in these early years of the 6th decade of the 20th Century replacing the rural relapse of the Frightful Fifties.

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RURAL AREAS DEVELOPMENT -- A COMMON CAUSE

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MAY 22 1963

I welcome the invitation to have a part in your meeting. My respect

and friendship for leaders in the labor movement goes back many years. It was strengthened during the 1950's when as a lobbyist for the Farmers Union, I often found myself in harness with representatives of labor unions, working for a common cause -- for measures in the long-range interest of all people.

And since I have been on the New Frontier my confidence in organized labor -- as a strong and resourceful ally -- has been reinforced.

Organized labor has recognized that the entire Nation, and indeed the world, have a stake in the progress and welfare of the farm families of the United States.

Various labor unions have invested their pension funds to help finance the development of family farms in the United States.

Just a year ago the ILGWU made some \$20 million available to the U. S. Department of Agriculture for insured farm loans in 1962.

The ILGWU similar labor union investments were evidence of the strong common bond between the farmer and the worker. It recognized that a healthy family farm economy means an abundant supply of food and fiber and that the family farmer has made food one of the greatest bargains in the market today.

The family farm is becoming larger, more highly capitalized, and more specialized. Increasingly, farming is becoming a part-time enterprise in which the farmer and his family depend on off-farm work for much cash income.

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Talk by John A. Baker, Assistant Secretary, U. S. Department of Agriculture, before the New York State Council of Machinists, Sheraton-Park Hotel, Washington, D. C., May 5, 1963.

But opportunities for non-farm jobs in rural areas are not adequate today. Department economists estimate that the present unemployment and underemployment in rural areas is the equivalent of 4 million unemployed annually. And, if rural youths coming to the labor market in the next 10 years are to be employed, 4 million additional jobs will be needed.

The generation of 8 million new jobs in a 10-year period is a monumental task. It can be accomplished only if our decisions are as nearly right as humans can make them. We shall have to draw upon many different kinds of thinking and experience. And we must have the widest possible understanding and agreement among people in the cities as well as the rural areas if the plans, now initiated or proposed, are carried through.

For these reasons, I am particularly grateful to have an opportunity to tell you about the program of Rural Areas Development, a self-help, Federally-backed program to spur economic growth and community development in rural America.

Let me say at the outset that we absolutely disavow the piracy of plants and will not countenance the use of Federal funds or other aids to industrialize one area of the country at the expense of others.

We believe that the most encouraging opportunities for helping the people of rural America who need jobs is to generate jobs within the rural areas rather than forcing people to migrate to the cities.

Rural Areas Development is a systematic, nationwide effort to ease the adjustments that stem from the revolutionary changes in agriculture.

The aim of Rural Areas Development -- or RAD, as it's becoming known -- is to ease the adjustment, not by forcing people in rural areas to seek better opportunity in the city, but by bringing resources and opportunities to the rural communities.

RAD is the response of the Kennedy Administration and the Congress to the demands of people on the farms, in the villages, towns and small cities serving rural America for job opportunities where they live -- job opportunities equal to those in the great metropolitan areas.

RAD is the response to demands that our land must be used and not idled -- demands that our resources be used so as to conserve them and at the same time to serve the real needs of all of the people -- among these, the increasingly urgent needs of city people for open space and for outdoor recreation.

RAD is a clear channel for the great flow of energy now being generated by citizen groups, farm organizations, labor unions, local governments, and farmer and rural co-ops in every part of the country -- the great flow of energy that will "get the country moving again."

We realize that the task of rural areas development is far beyond the means of local people and State governments. Under the best of circumstances, their resources are not adequate for the task before us. They must have additional tools and these can be supplied only by the Federal government.

As FDR said a quarter of a century ago -- the resources of a nation can be made to produce a far higher standard of living for the masses of the people if only the government is intelligent and energetic in giving the right direction to economic life.

The history of New Deal days showed time and again that Federal government investments to help people improve their lot were repaid a hundredfold -- the dividends reached across the whole spectrum of the economy.

And it isn't surprising that in the short space of three years we can document in considerable detail the benefits that have extended to labor and other sectors of the economy from Federal investments designed directly to benefit farmers and other rural people.



But before I elaborate on the widespread returns, let me outline the major changes and investments since January 1961 to strengthen the rural economy.

Modernization takes a lot of working capital. The 87th Congress raised the credit resources to be made available to rural areas by the U. S. Department of Agriculture in 1963-64 by almost a billion dollars above those of 1960.

Rural housing loans are up almost fourfold -- from \$40 million in 1960 to \$192 million in fiscal '63 and President Kennedy has recommended that the ceiling be raised to \$300 million. Congress enacted a useful new program for building housing for senior citizens in rural areas -- apartment and village-type group housing as well as individual homes.

Real estate loans to permit present owners to enlarge and improve their farms and to enable young married couples and tenants to become farm owners are up almost sevenfold -- from \$29 million in 1960 to \$200 million in '63.

A new FHA loan program permits farm owners to add farm forestry and income-producing outdoor recreation enterprises including fish farming.

Loans for small watershed projects and flood prevention are 50 times greater in 1963 than in 1960.

Provision for technical services to the nearly 2 million cooperatives of soil and water conservation districts has been increased by \$10 million above 1960.

Funds for watershed protection and flood control projects have been more than doubled. The projects have been speeded up and given new purposes. Outdoor recreation, municipal water systems, and industrial water supplies now have a bearing on plans for new projects.



The Farmers Home Administration has obligated more than \$4 million to rural associations for soil and water systems to provide rural families, schools, and hospitals with adequate sanitary water supplies. In addition, the loan funds and grants for rural community facilities and water systems made by the Area Redevelopment Administration and the Housing and Home Finance Agency have been greatly expanded.

Technical services and grants-in-aid to State and private forests have been expanded by \$3.5 million since 1960.

Improved management of national forests and grasslands has provided a better grade of stewardship for these natural resources and, through a Federal investment of \$50 million, has added 15,000 non-farm jobs in rural areas and 7,000 jobs in metropolitan areas.

Grants from ARA funds are now available to local planning and development groups for technical assistance.

The 1963 appropriation carries the first increase in 20 years for expanding research and education and other USDA services to farmers' cooperatives faced with problems of heroic complexity.

REA cooperatives have done remarkably well in the past year and a half in launching new rural enterprises. The most recent survey by the Department shows that since July 1961 the local electric co-ops helped to launch or expand some 400 enterprises in rural areas.

Three new programs for rural areas development that were authorized by the Congress last year are just now getting under way.

The new Resource Conservation and Development projects will enable labor unions, boys' clubs, and other people from the city to team up with rural land-owners to their mutual advantages in outdoor recreation opportunities and higher incomes.

Under the new cropland conversion program the Department is authorized to make loans to associations of farmers who develop recreational, forestry, or fish and wildlife enterprises on lands shifted from crop production.

Under the Rural Renewal program the Department can make loans to local public bodies for projects to eliminate the deep-seated causes of serious rural poverty. One of our major concerns here is to learn how to develop the self-starter spirit among low-income people.

We have seen in the past two years what improved farm income can do for rural America -- and I think the facts show that all Americans have benefited in one way or another. Gross farm income increased \$2 billion in 1961 over 1960, and last year was \$2.7 billion higher than in 1960. New farm income has increased \$1.1 billion in 1961 and \$1.2 billion in 1962 as compared to 1960.

Department surveys show that the increased income has already generated at least 130,000 new non-farm jobs in rural communities.

At least another 135,000 non-farm jobs in rural areas have been created by increased Federal investments in construction-type programs such as rural housing, farm ownership and enlargement, and community facilities, small watershed projects, and resource protection and development in the U. S. National Forests.

Recently, we made a survey of what happened when farmers were able to earn a little more income. The results are impressive. Farm families are planning to buy more home appliances, automobiles and other consumer items in addition to farm equipment and material.

Unemployment in the industrial centers where farm equipment makers are located has declined on the average to levels which are much lower than the current national figure. In these areas, the rate of unemployment is about that which we would expect under conditions of full employment.

The value of farm machinery shipments during the first 9 months of 1962 increased 8 percent over the like period in 1961, an indication of improved sales. And farm equipment makers are reporting higher sales and higher earnings.

I am gratified by the progress that is being made -- excited by the imaginative drive underway throughout rural America -- encouraged by the higher tempo of rural economic activity.

And I am impatient that we are not moving at an even faster rate. We have so much lost time to make up -- we must move so fast to keep up with technological advance and population growth and rising expectations.

I am gratified and impatient -- impatient but not discouraged. We still have some gaps in legislation that we haven't worked out yet. We still have some shortfalls in needed appropriations.

People in some rural areas are not really organized yet and underway to area-package their efforts, their resources and the available State and Federal technical and financial services and resources.

We still have gaps in our efforts -- among the major ones are: General and vocational education, training and retraining for youth and adults; adequate support for improved forestry on farms and other small private owners; research-backstopping for new phases of RAD; and full utilization of the cooperative form of private business organization.

There's a new spirit in rural America -- a spirit of hopefulness and enthusiasm, a new vitality, and a willingness to accept change and to deal with it boldly.

I've been seeing unmistakable evidence of this spirit everywhere I've traveled across the Nation and in talks with visitors who come to Washington.



What I've seen convinces me that our people are fired with the determination to seek fresh opportunities in rural America and to promote more vigorous economic growth.

What I've seen of this spirit convinces me that we are witnessing a rural renaissance -- a renaissance that is already making impact on the entire national economy. It can do more -- the rural renaissance of our Nation can be the dynamo that empowers the building of a strong and peaceful world.

As we move forward with this rural areas development program, we shall need the same strong labor support and same strong farmer-labor legislative cooperation that characterized our joint efforts that finally succeeded in enactment of the Area Redevelopment Act.

As you and we move forward to meet the human problems churned up by automation in factory, shop, and office and advancing technology on the farm, we shall need all the strength, creative imagination, and joint efforts we can muster. Together we must bring about those daring, bold, new actions that are required to provide full employment for all those who are able and willing to work and fulfill our responsibilities to now doubling millions of the new generations of workers for a broad array of attractive alternative opportunities for work and living that is the true promise of democracy.

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May, 21, 1963  
THE TEAM APPROACH TO BETTER RURAL LAND USE

Only a few short months ago Philadelphia was host to the Land and People conference that drew almost 2,000 people from the 14 northeastern states. Many of you took part.

We'll not forget that meeting. Previously, we had been stimulated by thousands from the great open spaces of the South and West at Land and People Conferences in St. Louis, Portland, Denver and New Orleans. But it struck us as singularly significant to hear dedicated people living here in these states, intermingled with and surrounded by the great national megalopolis, express their ideas on their aspirations and hopes to strengthen rural America. Having listened to the many landowners and conservation leaders from your region express similar views to those of the other four Conferences, the Philadelphia meeting clinched the conviction that rural America needs urban America and urban America needs rural America -- each has much to offer the other.

The development of outdoor recreation on privately owned rural lands, for example, was advanced not only as one way of serving the city family seeking relaxation and refreshment, but also as sound use for agricultural lands not needed for crop production -- a use that in some areas promises to be more profitable to landowners than the production of crops, already in surplus, could possibly be.

Easterners at the Philadelphia Conference on Land and People equated civilized values with prosperous family farms and thriving towns and small cities. They rejected poverty as a weapon to force economic adjustments

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Speech of Assistant Secretary John A. Baker at the Northeast State Foresters U. S. Forest Service Luncheon in Philadelphia, Pennsylvania, on May 21, 1963.

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in rural America. They called for workable ways to stabilize and improve farm family income -- ~~for~~ practical programs to build a firm foundation for permanent prosperity in rural America. There was little pre-occupation with commodities and a great deal with communities.

These goals are good. I speak for Secretary Freeman, the agencies of the Department of Agriculture and myself when I say, "We are convinced that all of these objectives can be attained."

Those of us who were there will remember the Philadelphia Conference for a long time for still another reason. Secretary of Agriculture Orville L. Freeman had come to the Conference -- as he had done at each of the other four meetings -- to address it, which he did -- and to participate as Conference Chairman -- to listen and to learn. But his stay was cut short. He was called back to Washington by the President of the United States for an urgent meeting of the Cabinet. Now, we all know why.

The day was October 22, 1962. It was a day of great decision. On that day, at the meeting to which Secretary Freeman hurriedly returned, the President made the decision that bolstered world peace and triggered a series of actions by our Government that convinced the Russians that we mean business when it comes to protecting the free world from totalitarian aggression.

The problems of rural America may not be tagged with the same urgency as the Cuba situation, but none-the-less, for many rural families, small communities and rural towns, time is rapidly running out. The exodus of rural people, first of whole families with able-bodied heads and largely, in recent years, of young people from both farm and nonfarm rural families, is symptomatic of a deep-seated economic ailment. The ailment can be

cured; in fact, rural America already is on the economic upswing wherever local people are combining their own resources under their own leadership with the resources of local, State, and Federal governments to create new jobs, to produce more of the services and goods all Americans want, and to develop public facilities and services. These are the economic developments which will provide rural people attractive alternates to leaving rural areas. And the time to provide many more of these new economic opportunities is now. As difficult as the task may be, let's never forget that it's a lot easier to correct the situation that ails an economically distressed farm, business or town while people are still in the houses and while the merchandise is still on the shelves than it is after the buildings are empty and deserted.

I am told that, while most of the people in this room are either foresters or forestry oriented, we have many representatives from other segments of agriculture and land resource concerns. This is good and I am happy the forestry planners of this program had the foresight to invite their co-workers in related fields of rural land use.

We need to do more of this sort of interchange and teamwork. The day when each agency, each profession, each land use could operate in a vacuum is long gone. In today's highly inter-related world, working in a cubicle is about as practical as tilling the soil with a wooden plow or logging with oxen.

And it is high time we gave some attention to outdoor recreation. For generations, Americans have assumed that just about everyone could enjoy outdoor recreation. Indeed, our great continent once abounded with all the qualities for an ideal recreation environment. But just in the last 12 years we find that our once limitless recreation horizon has narrowed. For many of the people of our cities the search for outdoor recreation has

(more)

USDA 1579-63

become an uninviting, arduous task. And the grade and quality of outdoor recreation sometimes are not very attractive.

We now realize that former, happy assumptions of abundant outdoor resources are highly imaginative fiction in today's context. Foresters know that recreation opportunities in the years ahead will be the hard-won result of careful planning and professional management. They also know that public recreation alone can't begin to do the job. Indeed, farm and ranch land offers the largest potential recreational opportunity we have.

We believe that a large and growing area of mutual recreation interest exists between the urban recreation seeker and rural owners of lands and waters suitable for recreation. Two-fold benefits will come from joining the two segments of this common interest; more adequate recreation outlets for all people nearer their homes and a new use for farmland and a new source of income for farmers and other rural people.

If we are to give more than lip service to the multiple use concept and its applications to all rural lands, then it is imperative for each of us as we approach rural land management on a total resource basis to be prepared to contribute our full share by doing that for which we are best qualified and calling on our co-workers for help in their special fields. Secretary Freeman has made and is continuing to make great efforts to stimulate this philosophy in the Department of Agriculture. We cannot afford any form of "in fighting" among the agencies. The important thing is to give the American people the best possible service and the most for their tax dollar, always. Some of the reorganizations that we have already accomplished in the Department and the responsibility assignments that we

(more)

USDA 1579-63



have made under the Food and Agriculture Act of 1962 are concrete examples of steps in that direction. And the variety of State and Federal agency representatives sitting in this room is evidence that progress along these lines is being made on the Regional and State stages as well.

Higher grade and more nearly adequate development and multiple-use management of our nation's privately and publicly owned forest resources are an important and essential element to make a success of the stepped-up nationwide rural areas development effort now underway. Proper forest management contributes to each and every one of the multiple purposes, goals and aims of rural areas development. That this is true is self-evident as you look at them one by one.

1. A fully adequate level of natural resource protection, development and management is itself a central RAD aim. (This includes forests, water, fish and wildlife, open space, and soil.);

2. Preservation and improvement of family farm pattern of American agriculture (Farm wood lots could be a source of considerable income for family farmers in much of the United States.);

3. Increased income per person and per family of people living in rural America;

4. More rapid expansion ~~of~~ the number of remunerative job opportunities in rural America through stimulating a more rapid growth of rural industry, recreational and other commercial enterprises of all kinds, service trades and professional income-earning opportunities;

5. Development of outdoor recreational opportunities needed on rural land, both private and public;

6. Readjustment of rural land use into a better balanced national pattern;

7. More effective, higher quality, more competent and more fully available community private and public facilities for improved rural living and culture;

8. All other actions required to eliminate once and for all the complex interrelated causes of rural poverty, slow economic growth and waste of rural resources.

I hope more State Foresters will take the initiative and develop working agreements with soil and water conservation districts that will enable landowners to better plan multiple-use management of their woodlands. Local rural areas development committees are calling upon specialists in recreation, wildlife, and water management for help in drawing up and carrying out the overall economic development plans. Many of these specialists -- both State and Federal -- are serving on Rural Areas Development Technical Action Panels. We appreciate the cooperation that State Foresters have extended in this work.

You foresters know that the work you do will bring benefits to the American people for many years in the future.

Let me give you one example.

Back in 1940, the rural people around East Tawas, Michigan, organized a forest products cooperative with help from their forest ranger. They had 20 charter members. The first year they did \$3,000 worth of business. In 1961 they had 187 members and did \$436,000 worth of business.

Not long ago the forest ranger, who now works for the Department in Washington, received a letter from the manager of forest co-op. Here are some of the things the co-op manager wrote:

(more)

USDA 1579-63

"In these past 20 years, hundreds of people have benefited by added income from its (the co-op's) formation. There are so many good examples of these benefits that it will be hard to choose. Money for taxes, school clothes, recreation, gaps in regular income, payments on farm machinery and cars. . . . better homes, inside plumbing, new or good equipment, better education for children, respected cash paying citizens have been the result from the larger wood producing families."

Yes, working with people and with trees can be a most rewarding experience -- to the forester and to the people with whom he works.

Now, permit me to tell you something about a new renaissance that has taken hold in rural America. There is progress on every resource front represented by the people in this room and much more. This renaissance is coming under an all inclusive umbrella -- Rural Areas Development. It is a growing nationwide movement and almost everywhere you go it is making news. It is a great self-help movement to create new jobs and payrolls, led by local people and backstopped by technical, credit, cost-sharing, education, and information assistance from State, Federal and private sources. It is making history. Other nations, Canada for example, are studying America's RAD program to see how it might work in their own countries. It is an exciting movement and most foresters are in it with both feet. For those who are not, I say "try it on for size, it might be one of the best roads you have ever taken to multiple use management of private woodlands for profit."

Now let me go quickly through the USDA programs that I believe are of interest to foresters.

Agricultural output is expanding at an unprecedented rate so that, in spite of an increase of 65 million in population, by 1980 our farms will be able to produce all the food and fiber we need with 50 million fewer cropland acres than we had available for crops in 1959. Let's make those 50 million extra acres a boon to America, both urban and rural. Let's not idle them, let's not retire them, let's use them for all their multiple benefits, including outdoor recreation. We visualize millions of those acres eventually going into trees or to grass.

We believe that this will give us better balanced land use.

We also need many more jobs for rural prosperity. Opportunities for non-farm jobs in rural areas are not adequate today. Present unemployment and underemployment in rural areas is the equivalent of 4 million unemployed annually -- 1.4 million on farms and between 2 and 3 million among rural non-farm people. In addition, 4 million new jobs will be needed in the decade ahead for rural youth. Thus, about 8 million new jobs will be needed in the rural economy if we are to have full employment in rural areas by 1970.

One conclusion some might draw is that the exodus from rural areas to the cities should be stepped up. We do not agree. Sure, some people are going to continue moving from rural to metropolitan areas. But, our aim is to enable people in rural America to have job opportunities in their own community or area, so that they can make a choice of their own free will, rather than allow rural poverty to make their choice for them. I am convinced that the forest resources of your States are destined to play a big part in providing those jobs.



### Rural Renewal

You are all familiar with urban renewal. Now, for the first time in the Nation's history, rural renewal projects are possible where poverty is entrenched and local people want a total rehabilitation effort to eliminate the causes of economic distress. These projects will cover an area large enough to meet deep-seated economic problems, rather than to nibble ineffectively on the fringes. We find a growing amount of interest by local people in rural renewal, particularly in the Appalachians, the Ozarks, in the Southern Rocky Mountain area Plateau region, and in some areas along our Canadian border, and we hope to make a beginning in this vital work next fiscal year.

We propose to work with legally constituted local bodies to help them make the land more productive, to construct water and sanitation facilities, to encourage the development of new industries, to stimulate the building of both private and public outdoor recreation facilities, and to make whatever other adjustments and improvements are required to fit local problems and needs.

Rural renewal is new and experimental, and we plan to proceed carefully through a series of pilot projects as we learn both the pitfalls and the promises of this approach.

### Land-Use Adjustment

Like rural renewal, land-use adjustment is another important Rural Areas Development tool provided in the Food and Agriculture Act of 1962. The Department can now enter into long-term agreements for cost-sharing and adjustment payments to help farmers substitute trees, grass, fish

and wildlife production, and income-making outdoor recreation for the surplus crops now being grown on some cropland. Loans and technical assistance are also associated with this test program. You foresters will play a big part in it.

We already are participating with farmers in this pilot program in 237 counties throughout the country.

At the same time, the Agricultural Conservation Program generally is available to help farmers improve land and timber stands.

#### Resource Conservation and Development

Still another approach to better-balanced land use is provided in Section 102 of the 1962 Act. It provides for group or community action to improve conditions. City residents, for example, could acquire the use of a wide array of outdoor recreation facilities which they want and need, while the owners of rural acreage could improve the conservation treatment of their land and at the same time raise their income by tapping a new source -- recreation. Financial and technical assistance would be made available to accomplish this. We hope to start on a small pilot operation next fiscal year to help develop the best techniques for carrying out <sup>1</sup>/<sub>2</sub> Resource Conservation and Development projects.

#### Watershed Protection

The Public Law 566 Small Watershed Program, in operation since 1954, is well known to you. The Food and Agriculture Act of 1962 provides for the first time that recreation and future industrial and municipal water supply could be developed with Federal assistance. This is important; for as you know, water often is the critical element in determining the location

of industries which bring new jobs and more dollars in circulation. Water also attracts tourists -- and two dozen tourists a day equal the spending power of an industrial plant with a \$100,000 a year payroll.

Already, the Department tentatively has approved assistance in the development of 21 public recreation areas within small watershed projects.

#### Federal Farm Loans for Recreation, Fish, Forestry Enterprises

Title IV of the 1962 Act permits the Department to provide credit to individual farmers and groups of rural residents to develop on-farm or community public recreation projects, fish farming and other activities which create new uses for cropland. And, as most of you know, last year a new program of loans for forestry purposes was begun.

We have been amazed by the interest the public has shown in these programs. Over 5,000 requests for information have already been received and answered.

The first 20 loans to farmers for income-producing recreation enterprises were made last month.

#### Rural Housing

Housing for farm families, families who earn most of their income in off-farm work, the elderly, and migratory farm laborers has been a serious need. At present 1.5 million homes on farms and in small towns are so dilapidated they endanger the health and safety of their occupants. In 1962, the rural housing program was broadened to include housing for the elderly.

Last fiscal year \$96 million was loaned for rural housing. This year the amount is expected to double. Currently there is a backlog of 12,600 applications for rural housing loans and the farm labor and elderly housing programs are just getting underway.

#### REA in Rural Industry and Commercial Enterprises

The Rural Electrification Administration conducts a special program to encourage industrial and commercial development in rural areas. It combines technical assistance, credit counseling and loans. Working in cooperation with the Department of Commerce, the Small Business Administration, and the local electric co-ops, it has helped launch or expand over 400 industries and businesses since July 1, 1961. These new or expanded businesses will generate more than 50,000 new jobs in rural areas.

Of the 400 new or expanded businesses, 83 are directly related to farm processing and sales of farm products; 28 involve forest products. There are 21 commercial recreation projects. The remaining 270 represent a wide variety of industries and businesses.

#### Area Redevelopment Administration

Congress established the Area Redevelopment Administration in the Department of Commerce to provide funds for loans and grants to stimulate industrial and commercial development, for needed public facilities, and for teaching workers new skills. USDA has the duty of evaluating and recommending on applications for assistance in the 800 rural counties designated as eligible for ARA aid. About 400 applications have been received from rural counties for assistance since 1961. In addition, there are more



than 150 requests for grants in technical assistance in making feasibility studies, market surveys and so on. A total of about 150 training projects have been approved for rural areas under the ARA program.

I am sure that you are particularly interested in the wood products research center, partly financed by an ARA public facility grant of \$808,000 to the University of West Virginia at Morgantown. This project involves building a new forestry and wood utilization laboratory center, including alterations of an existing nuclear laboratory to make it more suitable for wood modification research. The total cost is nearly \$2 million. In addition to the ARA grant, the State of West Virginia is appropriating \$340,000 and the University is putting up \$772,000.

Direct new employment at the center will provide 32 full-time jobs and 35 part-time jobs. But that will be only a beginning, because successful research on new and better uses for wood products will lead indirectly to almost countless new jobs over the years ahead.

#### Accelerated Public Works

More than 5,000 unemployed persons in rural areas were put to work in the National Forests the first week funds were available under the Accelerated Public Works Act. Between 8,000 and 9,000 were at work in the forests during the last two months of the year. In some areas as many as one-third of the people employed came from the relief rolls. The work being done includes improvement of timber stands, campground and recreation areas development, timber access road construction and wildlife habitat improvement. In your region, a total of \$450,000 also has been allotted to 5 eligible States for 64 forestry projects.

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USDA 1579-63

Office of Rural Areas Development

I have given you a quick rundown of the newer USDA-RAD pioneer projects, but the picture would not be complete unless I were to mention that some 25 other on-going programs of the Department have been reoriented and redirected to join in the total effort for more rapid development of rural areas. To make sure that all these new and redirected old programs work in harmony with full effect, we have established the Office of Rural Areas Development which consists of a small staff and functions as the RAD nerve center. It reviews and analyzes program activities and makes sure that proper agencies are plugged into the right problem. It maintains contact with other government departments and State agencies and keeps the RAD lines open and flowing. Through the Extension Service and Land Grant institutions it has contact with 50,000 rural and town leaders who are now participating in various RAD activities. It is worth noting that about 2,000 rural counties and areas have organized RAD Committees and Technical Action Panels. Of these, about 675 have completed their initial development plan and 700 more are in process.

Ladies and gentlemen, I have just enumerated 10 new and 25 reoriented program approaches to better rural land use, development and conservation. I am convinced that only teamwork -- State, Federal and private, can get the job done. We look upon you State foresters as key members of that team.

I have found foresters to be an extremely realistic people. I have also found them to be, shall we say, "battle tested" and unafraid of challenges. For example, you have dealt with wind, storm, erosion, insects, blowdowns, floods, fire, forest tree diseases and a host of other elements

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USDA 1579-63

of nature. You are accustomed to grappling with problems and overcoming obstacles. I, therefore, have confidence in your ability to develop new opportunities for the family forest owner; to up-date your methods of operation into new approaches to the problems of the family forest owner. I have confidence in your ability to make forestry and the forest resource one of the most dynamic forces ever brought to bear in a renaissance of rural America. Rural America needs you and the help and leadership that only you can give. I know that you will not let her down.

Thanks for the privilege of speaking to you and best wished to you in these exciting times in our national history.

USDA 1597-63

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## RURAL COMMUNITY DEVELOPMENT -- Basic Problems, New Solutions

I welcome this opportunity to tell you about the first major effort in U. S. history to help rural people help themselves revitalize existing communities and build new ones. We think this is the major element of actions required to eliminate the complex and interrelated causes of rural poverty.

The systematic effort is the Rural Areas Development program launched by Secretary of Agriculture Orville L. Freeman in March 1961.

In a little more than two years, the initial thrust has been reinforced by legislation along pioneering lines. Other Federal Departments, all 50 State governments, public bodies and private organizations have joined with the U. S. Department of Agriculture and the people of rural America in a many-sided effort to meet urgent needs for jobs, homes, community facilities, schools and services, and to spur economic growth.

We are all aware that rural America is much more than farm country. It is most of our land, the waters and woods, the farms and ranches, the towns and small cities.

About 54 million people live in areas that are rural as defined by the 1960 Census. About 22 million others live in the small cities and towns, many of which are rural oriented in their businesses and services.

### Rural Poverty

As this audience is well aware, rural America has more than its share of poverty. Nearly half of all families in the United States with an income under \$2,000 a year live in rural America. To be exact -- 2.9 of the 5.9 million families who reported annual income under \$2,000 in 1960 live in rural areas. Slightly over 1 million of these families live on farms.

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Talk by John A. Baker, Assistant Secretary, U. S. Department of Agriculture, before the 90th Annual Forum of the National Conference on Social Welfare, Cleveland, Ohio, May 23, 1963, at 11:15 a. m.

Rural poverty is distributed throughout the Nation but the major concentration is in the South. There in 1960, 1.7 million families had income under \$2,000 and almost half of these families (825 thousand) had incomes of under \$1,000.

There are about 11.5 million people included in rural families that have income of less than \$2,000. Some low income rural families are found in all areas of the United States, but most of them are clustered in certain parts of the Nation. Nearly 30 percent, or over 3 million, of them are in the South. Of this number, 35 percent are Negro and 65 percent are white. Concentration of low income groups outside the South are found in the Appalachian area where declining agriculture and mining have left many stranded, in the Southwest where Spanish-Americans are concentrated and in the Western States where low income American Indians are concentrated in rural areas. It is among these groups where the most serious rural income problems are found, and, of course, where high unemployment and underemployment prevail.

The criteria differ, but all of these groups are characterized by low average levels of education, sub-standard housing, large families, and serious blocks to their economic advancement, caused both by limited skill levels and barriers imposed by the larger society.

One basic cause of low income and resulting pockets of rural poverty is the low returns from farming generally in relation to returns for comparable inputs of labor and capital in other enterprises. However, these disadvantaged have further handicaps. Agencies tend to bypass these groups and work with those easiest to work with. Many of these people are not articulate. Their education is often low. They do not have political power and they do not know how to go about participating in existing aid programs.

We must give more attention to these groups. We are taking steps to insure equitable treatment for all in USDA programs that could help. These include lending programs, technical assistance, cost-sharing, and educational programs.

Each of the disadvantaged groups is represented in another group that must also be considered a disadvantaged class.

I refer to the farm worker and his family. There were a million people who did 75 days or more farm work in 1961.

Farm workers have the lowest wage rates and the least social protections of any occupational group. The average income from all sources for men who worked as farm laborers in 1960 was only \$1,100. Only in rare cases are farm workers covered by unemployment compensation, workman's compensation, or by the health and life insurance that is becoming a standard benefit for industrial and government jobs.

We have a fairly detailed picture of the million farmers whose income in 1960 was under \$2,000. With help, some 130 thousand of these farmers can make the changes that will be required for them to improve their economic lot. They are under 45. They are able-bodied. They have the basic schooling necessary for training for jobs off the farm. With credit and technical assistance, they can enlarge and improve their farms either for part-time or full-time farming on a scale that will pay them adequate returns.

But what of the other 870,000?

USDA 1687-63

The prospect is that three out of four of the low-income farmers will need to be helped where they are -- in the communities where they now live. These are the older farmers, many of them over 65. Some are physically handicapped and most are educationally unprepared for retraining.

There are about 4.4 million children under 18 years of age in the low income groups of rural America, plus 400,000 children under 14 in migratory farm labor families. These youngsters suffer the deprivations that go with substandard and dilapidated housing, the lack of health services, poor schooling, and what is surely the most serious of all for them and for our Nation -- a lack of motivation to go back to school. Thus, the million and a half youngsters in the low-income group who will seek to enter the labor market in the next decade will be especially disadvantaged unless vigorous action is taken.

Many rural people who have inadequate incomes are not prepared to compete for urban jobs. You have seen them. They come to the city. Many are unable to find work at all, and they and their families immediately become a welfare problem. Some who do get jobs are employed at tasks involving menial labor. In the first round of production cutbacks, they are fired. They go on relief, and too often, they stay there. Moreover, automation in mine, office and factory has created the same surplus labor situation in our cities and metropolitan areas that mechanization of our farms caused in rural areas. Secretary of Labor Wirtz recently reported that each month 150,000 men and women are being displaced by machines.

The Department of Agriculture is doing everything within its power to insure that in the not too distant future, the decision between staying in the rural community and going to the city will be a real choice between attractive alternatives, and not one based on economic necessity. If this goal can be achieved, it will help alleviate some of the welfare problems in our metropolitan areas. We hope you will give us your support as we seek new legislation and expanded funds for this purpose.



In the United States, the survival of poverty is remarkable. Some people choose to ignore its existence. Perhaps in so doing, they hope it will go away. To allow poverty to continue in our new-found era of agricultural and industrial abundance is a national disgrace.

A major aim of the Rural Areas Development program is to make continuing and systematic efforts to eliminate the many complex causes of rural poverty.

We would be seriously hampered in achieving this goal if we were confronted with large-scale national unemployment and a sluggish economy. That is one reason the Administration's tax cut proposal is of such vital importance to the hope to eliminate rural poverty. By stimulating economic activity throughout the country, it will open up jobs for rural people, and provide them with opportunities to earn more satisfactory incomes, as well as provide many tax adjustments of direct benefit to farm people.

We expect the major gains to come through community and area developments which strengthen the entire economy and add luster to society as a whole.

But to achieve those gains, we know that it will be necessary to intensify our efforts to help the seriously disadvantaged groups gain a firmer foothold in the economy. And we expect to do this in the long run through a completely new approach -- the rural renewal program authorized by Congress in the Agricultural Act of 1962.

#### Rural Renewal

The legislation will permit the Farmers Home Administration to lend money to a legally constituted local body that is unable to obtain funds from private or other public sources. The loans will carry an interest rate of 2.75 percent and the first payment can be deferred five years.

The legislature of my native state, Arkansas, was the first to pass legislation to allow local people to create the legal bodies needed to set up rural renewal projects.

Under the Arkansas Act counties can organize Rural Development Authorities with broad powers to buy and sell land, issue bonds, construct sanitation facilities, roads and parks, and develop recreation facilities.

Currently, rural renewal is still in the planning stage. No funds have been appropriated. But the Farmers Home Administration has assigned leaders in five states to develop rural renewal projects in cooperation with the locally designated public bodies. We expect to be ready to move as soon as funds become available.

Some examples of projects that might be financed with rural renewal loans include the purchase of tracts of land for resale as family farms or for nonfarm use; the development of lakes, greenbelts, grassland areas, and wildlife areas; the development of water and sanitation facilities and service buildings, where such types of development are needed in land conservation and use, and the carrying out of forestation projects and related services.

Unless we act now to improve tenure and living conditions in areas of entrenched poverty, where rural renewal projects would be employed, we will be compounding the Nation's welfare problem.

In December of last year, we established a working party on equal opportunity to develop plans to get the disadvantaged -- the hard-to-reach groups in Rural Areas Development.

The findings made it clear that our immediate task is to establish channels of communication. Because rural renewal and Rural Areas Development are new and the program has many sides, many people who have worked closely with the Department of Agriculture are not aware of the broadening opportunities that are now available.

For example, a survey of workers on the staffs of the Negro land-grant colleges in the South last fall showed that only a few of them were well acquainted with the Rural Areas Development program; yet these people carry heavy responsibilities for acquainting low-income rural Negroes with the new loans and technical assistance on which they may draw.

During the past few weeks, we have begun a series of workshops in the South for county agents, vocational agricultural teachers, ministers, and farm leaders who work with rural Negroes.

The test is to bring the facts to the people so that they can be motivated to take action. One approach is through the problem method.

For instance, the overwhelming majority of Negro homes still lack modern toilet, bathing, and kitchen facilities. Their own community leaders don't know that FHA loans are available to rural people to install water systems. And many of the local professional workers are just now learning that help is within reach for rural communities without water systems. An increasing number of loans are being made.

### Housing

Another problem, which may serve as the impetus to community development in low-income areas, is housing.

Housing for farm and other rural families has long been a serious need in the United States. According to the 1960 Census, 1.5 million homes in rural areas are so dilapidated that they endanger the health and safety of the families living in them. Another 2 million rural homes need major repairs.



The Housing Act of 1961 authorized the Farmers Home Administration to extend housing loans to non-farm families in rural areas. In 1962 the rural housing program was broadened to include housing for the elderly and for migrant workers. The legislation authorizes loans for both apartment and village-type housing, as well as individual family houses.

At the beginning of this month the Farmers Home Administration had loaned more than \$2 million to build housing for the aged. And loans for the construction of housing for farm labor had been made in Florida, New Jersey, West Virginia, North Dakota and Washington.

The need for rural housing is so great that applications for loans far exceed the available funds. In cases of dire need the Farmers Home Administration can make grants of up to \$1,000 to families for the repair of dilapidated homes and for the addition of sanitary facilities.

### Jobs

The burning issue in the low-income rural community is, of course, to generate more jobs -- jobs in the community or nearby.

One of our major concerns in Rural Areas Development relates to the construction of new industries in rural areas. Our people in the Rural Electrification Administration work with management of electric cooperatives in local communities to help would-be investors find sources of credit.

Experience has shown that a community waiting for outside investors to build a new industry usually waits a long time. The hope for real progress is best realized by emphasizing the growth potential within the community.



A recently formed lumber cooperative in Idaho is an example of some of the possibilities we see for rural industrialization. The cooperative was formed because no one of the 15 or 16 small lumber mills in the area could purchase equipment needed to dry and finish off their lumber. By joining together these firms were able to get the funds needed to purchase the equipment.

Apart from working capital, the cooperative needed nearly \$270,000.

A local non-profit development group provided nearly \$32,000. Much of this money was raised by an Indian tribe whose members would benefit from jobs and the sale of timber. The mills added almost \$14,000 - the maximum they could provide without endangering the stability of their separate enterprises.

The Area Redevelopment Administration then loaned the cooperative a little more than half of the total funds required. And the REA cooperative in the area was able to supply the remainder.

This is one example of an activity which should be repeated in different forms throughout the thousands of rural communities. It demonstrates that Federal resources are available and that with capable local leadership they can be used to create new economic opportunity.

A goal of Rural Areas Development is to expand job opportunities in rural America by stimulating the growth of industry, enterprises, and services of all kinds.

An objective of this program is to improve existing rural community facilities and institutions and where needed to build new ones. Through this program people in rural areas can achieve pure water supplies, first rate schools and hospitals, adequate streets, roads, and other services that are standard in a modern community.

### Preserving the Family Farm Pattern

Another goal of the Rural Areas Development effort is to preserve and improve the family farm pattern of American agriculture.

In many areas the family farm will continue to be the basic generator of a healthy economy. It will continue to increase in efficiency. We do not want that increase to come at the expense of the producer as it has in the past.

We expect the number of relatively adequate full-time farms to increase. There will be an increase in the number of part-time farmers where the operator and his family can earn a reasonably good income from farm and non-farm sources.

### Farm Ownership and Operating Loans

In the last two years, the Farmers Home Administration program has been overhauled, modernized, and broadened to meet the needs of the 1960's.

Because of legislative changes which the Department requested and which Congress granted, FHA programs are now tailored to meet specific farm problems. They are more effective in strengthening family farming under modern day conditions.

The agency has strengthened and expanded its loans to farmers on small units who draw most of their income from off-farm work.

Loans to part-time farmers plus supervision can help them make better use of the farm resources they have and increase their incomes. By strengthening the farm side of their activity these loans will increase their ability to ride out a temporary downturn in the local industrial economy.

The agency is undertaking to be useful to a group of farm families that seem to me to need their services the most. These are the folks who because of age or other limitation can make their best contribution to their communities and to our national life by continuing to farm in a limited way where they are, who can repay modest loans and who will live better by having the help we can provide.

This service enables these citizens to maintain a limited farming operation while living in dignity and independence.

Off the farm, their fate would be grim and precarious. They would add to the relief rolls in urban areas. On the farm, they can be self-supporting and independent.

### Balanced Land-Use

A primary objective of the Rural Areas Development program is to shift to other uses land and water resources now devoted to growing crops that are in oversupply.

We are doing this through a cropland conversion program, which was initiated on a pilot basis this year. Through this program, we help farmers convert surplus cropland to other income-producing uses, such as recreation, grazing land, forests, water storage or wildlife habitat.

Latest figures show about 250 farmers in 196 counties in 41 states have filed applications to convert near 19,000 acres to recreation, and that 4,400 others in 41 counties in 13 states have submitted applications to divert 205,000 acres to forests, pasture, or other uses.

These, as I said, are pilot projects. The Department is feeling its way, particularly in the outdoor recreation phase of this program. We know there is an ever-increasing need for new outdoor recreation areas near our metropolitan centers. But the Department wants to know much more about recreation activities and their feasibility before we promote this on a full-scale basis.

### Program Now People-Oriented

One of the heartening things about Rural Areas Development is that a whole galaxy of Federal programs has been reoriented and strengthened to serve urgent needs. They are people-oriented.

In the Department of Agriculture alone there are some 50 different programs that have a bearing on rural areas. Credit programs, centering in the Farmers Home Administration and Rural Electrification Administration, have been enormously strengthened in funds, in kinds of assistance, and in the extension of credit to rural people other than farmers.

Much greater emphasis is being given to the cooperative approach -- to helping people help themselves through the organization of rural cooperatives.

A few weeks ago, when leaders of the farm and rural cooperative movement met in Washington, a major question turned on how presently vigorous cooperatives can assist underprivileged rural people in participating in existing institutions and to form new co-ops to meet urgent and specific needs. We are not now making full use of the cooperative form of private business organizations in rural areas to help solve the poverty problem.

The 87th Congress strengthened the program of research and technical assistance to cooperatives. Last year, for the first time in many years, the appropriation of the Farmer Cooperative Service was increased.

There is a move in the Cooperative Extension Service in certain states to add specialists in rural cooperatives to the staff.

New legislation that enables the Department of Agriculture to make loans to associations of rural citizens for cooperative business enterprises has been enacted. These include loans that can be made to associations of farmers and other rural landowners to develop outdoor recreational enterprises.

Another big gap in our Rural Areas Development effort is in general, vocational, and continuing education -- in the training of youths and retraining of adults.



As you know, the Manpower Training and Development Act redefined rural unemployed to include rural people with incomes of less than \$1,200. Thus, low income rural people are eligible for the subsistence payments and other benefits provided by the legislation.

Rural people are taking part in the training programs set up with assistance from the Area Redevelopment Administration.

President Kennedy has recognized the urgent and unusual needs of rural people, particularly the disadvantaged groups, for educational assistance, and has strongly recommended to Congress the enactment of legislation to strengthen educational opportunity in rural areas.

We have high hopes that special attention will be paid to the needs of rural people for education and training.

For as Secretary Orville L. Freeman has said and as those of us who work with him recognize, "The greatest peril facing rural areas today is the erosion of human resources through poverty stemming largely from underemployment and unemployment. We must focus on people, not programs; on communities, not commodities."

And that is what the Rural Areas Development program can do. We enlist your support and participation.

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## RESOURCE DEVELOPMENT

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### A Challenge to Extension

me 17, 1963

I am pleased to participate in this meeting of Extension workers and agricultural editors. Educators and editors are indispensable for most effective resource development. Education, communication and organization for action are vital to rapid economic growth in rural, as well as urban, areas.

I expect to learn a great deal from hearing of your progress with your new Agricultural Rehabilitation and Development Act programs. ARDA and RAD -- our Rural Areas Development -- are first cousins; maybe even double first cousins.

As you know, we've shared experiences before.

Your ARDA director -- A. T. Davidson -- and his team visited with us in Washington in February of this year.

Some years ago, your 4-man team toured RAD communities in 7 states.

The Minnesota Extension Editor helped conduct communications training for Manitoba Extension workers, relating it to resource development.

There have been other exchanges -- these are notable examples. We have learned much from them. I trust we'll both enjoy -- and benefit from -- many more of them.

The terms "resource development," "rural redevelopment," "total economic growth," "ARDA" and "RAD," all mean the same thing: Namely, coordinated development of all human, physical, and institutional resources in a particular area toward their most productive total use. People are the most valuable resource. Physical resources include soil, water, minerals, forests, open space, fish and wildlife, recreation, education,

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Address by Assistant Secretary of Agriculture John A. Baker before the Agricultural Institute of Canada at Banff, Alberta, Canada, June 17, 1963, 3:00 p.m.

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industry, business and the like. Institutional resources include such things as community facilities, farm and labor organization, rural cooperatives, and other ways and other formalized arrangements with which people provide for themselves the opportunities they desire for outdoor recreation, improved employment and income-producing enterprises and ways of living and working together.

Your "ag reps, district agriculturists or agronomes" and our "county agents" are parallel terms and workers. We both have "subject matter specialists" -- yours within province departments of agriculture under Extension or not, and ours as part of each State land-grant agricultural university.

Sixty years ago, in 1903, Dr. Seaman Knapp of the U. S. Department of Agriculture proposed a farm test demonstration plot in Texas to help farmers try to stop the cotton boll weevil. Local businessmen even placed \$1,000 in the bank to cover any loss the test plot farm owner might suffer. Not one cent was needed. The owner netted \$700 more from cotton that year than he had ever made. That was one of the instances that inaugurated our Federal-State Cooperative Extension Service, dedicated to constant improvement of family incomes in rural areas.

Your Extension experience traces back to those same days. For 60 years both our governments have grown up together in serving farm people, and we both are expanding Extension Services to town and city folk more and more in recent years.

In my talk today, I shall concentrate on the education and organizational aspects of RAD. Tomorrow morning, I will touch on other phases.

Extension has shouldered the responsibility for organizational and educational leadership in our Rural Areas Development program. In

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USDA 1567-63



shirtsleeve English -- U. S. version -- that means it is Extension's job to "get the ball rolling" and keep it going -- largely, may I add, from behind the scenes.

RAD Aims

It will be well, prior to moving into the detailed examination of "solid information on procedure," that co-chairman J. S. Cram requested, to have before us a concise statement of the specific aims we hope to attain in development of rural areas. In the United States, we conceive the aims of RAD as encompassing activities to obtain the following results:

1. Preservation and improvement of family farm pattern of American agriculture;
2. More rapid rate of increase of per person and per family income of people living in rural America, through elimination of the causes of underemployment;
3. More rapid expansion of the number of remunerative job opportunities in rural America through stimulating a more rapid growth of rural industry, recreational and other business enterprises of all kinds, both proprietary and cooperative, and expanded income-earning opportunities for those in the service trades and professional pursuits to eliminate the causes of unemployment;
4. More orderly and rapid development of outdoor recreational opportunities on rural land, both private and public, to provide the facilities required by rapidly expanding more affluent population, urban as well as rural;

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USDA 1567-63

5. More rapid readjustment toward a better balanced national pattern of land use to the end that each acre and resource will be used in way the Nation most needs and to which it is best adapted;
6. Provision of appropriate services and financial assistance to attain and maintain an adequate level of protection, development and management of such natural resources as soil, water, forest, fish and wildlife and open spaces through treating each acre and resource in a manner consistent with its optimum conservation;
7. More rapid rate of improvement, establishment and appropriate adaptation of rural community economic and cultural facilities and institutions, including cooperatives, to fully meet the challenges of modern standards and rapid change; and
8. Increased progress on all other phases of a continuous systematic effort to eliminate all of the complex causes of rural poverty.

#### RAD Planning Process

The RAD process involves making group decisions toward total economic growth of a trade area, county, or several counties. In some cases RAD work crosses State lines. Committees, study groups, and local government units, including new and existing organizations, all play an important part.

The RAD planning process covers 8 steps:

- Leaders stimulate and inspire the people of an area to see their opportunities and challenge them to achieve them;

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USDA 1567-63

- People wanting action, organize state, area and county development committees and sub-groups;
- They inventory all of their resources; (human, natural and institutional resources;)
- They identify and analyze problems shown by inventories;
- They select means of development, and study their economic feasibility;
- They set goals and pick priority projects;
- They plan a step-by-step development program and carry it out; and
- They evaluate results and revise plans.

Ideally, RAD is a continuing process. New problems and opportunities arise constantly in every community or area. Evaluation of results of past efforts indicates possibilities for improvement; further study enables people to make revised plans to alleviate this new problem or capitalize on the new opportunity. Area development organizations simply keep repeating the steps of the RAD process continuously to keep their development program always up to date.

Foundation is Local Initiative, Determination and Decision

An essential policy which I know you to share, should be kept crystal clear: That is, throughout all our RAD work, the Federal government is the helper, not the boss. I firmly believe the Federal Government should not and can not successfully initiate, promote or control either the extent or detailed nature of RAD anywhere. Local people decide that, based on thorough study and analysis. Uncle Sam's job is to see that appropriate federal aids are effective, efficient, conveniently available and useful. Often the Federal contribution is convenient, useful and even

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critically essential, but it must always be limited. Decisions to use or not use these aids must always rest with local people at the grass-roots.

### Education and Organization in RAD

Extension Service, as the educational arm of the U. S. Department of Agriculture, has accepted the responsibility for educational and organizational leadership of our national RAD program. Extension seeks to create an awareness of problems and to motivate people to analyze them. It gives leadership to local groups in organizing for development. It helps them analyze their resources and potentials, and plan for solutions through group action. In addition, Extension workers advise rural youth and adults about job opportunities in and outside of agriculture.

The facts necessary to develop a plan for overall economic growth are made available by many local and State, private and public sources, and from many Federal government agencies. I shall discuss these in more detail at tomorrow's meeting.

In general, Extension's role in the RAD process involves three major jobs: One -- to motivate people; two -- to help them form a RAD organization, and three -- to help them develop a program and carry it out.

### Motivation

Let's look briefly at that first basic job -- to motivate. Among all our assignments in RAD or ARDA, this is fundamental. People can accomplish amazing progress if they want to badly enough. Pakistan and Israel are examples. But you can't help anyone who does not want to develop himself first.

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At best, the motivation job of Extension is a tough, complex intangible job. It's even harder when families just don't care, feel hopelessly chained down, suspect outside aid or even fight it. Yet, you must motivate, or RAD and ARDA will never get started and not keep going. You need organized plans to gain people's willing enthusiasm -- to replace "So what?" with "We can!" The basic, delicate, tough job is simply to help people rebuild their self-esteem -- to recharge the "go power" in their own human battery.

The job of motivation in RAD is the same as in any or all Extension work. That's what researchers tell me. Whatever we really know about stimulating people to change through Extension techniques is equally pertinent to RAD. Here is an example of how important it is:

Monroe County, Ohio, folks expected to lose a garment factory that was interested in locating in their county. ARA had turned down their application for funds -- there was no local capital, and the only suitable building was the partially-completed 4-H Club Center at the fairgrounds.

After many meetings the county 4-H Council decided to borrow \$5,000 to complete the building and to make it available to the manufacturer. This county fair board helped extend gas and water mains; and 72 people began work in the make-shift factory.

During the next 9 months the industrial development council, a local auto dealer who donated land, a contractor and the village council got together and did some additional promoting. Soon the factory will move into a new, larger building and will provide jobs for 200 workers!

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Broadly-based organized effort enabled these local people to accomplish the impossible.

ARDA Director A. T. Davidson says it well: "ARDA will work if people...are willing to take the initiative." The first job is to help them become willing.

Area Organization for Planning and Development

Extension's second big job is to help the local folks form a RAD organization -- a strong, broadly representative development committee and the necessary subcommittees. This can best be explained by case histories.

In New York State, under the procedures used there, a county agent forms a steering committee in one of three ways: (1) he can relate himself to an existing, suitable organization, (2) he can obtain a rural subcommittee within some present group having no such unit now, or (3) he can help create a new organization to be named by county government or by the county Extension advisory council.

For a county RAD committee New York agents seek 25-30 persons from these 7 occupations: County government, farming, education, business or industry, Federal employee, nonfarm folks and recreationist.

Among the non-farm folks that we ask agents to consider are leaders from labor, clergy, civic and fraternal clubs, women's groups, PTA's and other interested organizations to take part in the decision-making process.

To omit any of them, for whatever reason, weakens support for RAD. Planning committees must be broadly representative to be successful -- both responsive and responsible to all segments of the local society.

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USDA 1567-63

I sometimes make the point by saying, "Anybody who has not been invited should elbow his way in, if that is the only way to be included."

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Local, lay leadership is essential to RAD. The Extension agent in Watauga County, North Carolina, which is one of the exhibits of success, has been satisfied only with leaders "genuinely interested...who will work at it...who think beyond their own personal interest...who have the welfare of the whole county at heart...if you need to, replace any 'deadwood' ..." "These folks are the reasons for any success we've had," he proclaims.

Highlights of Watauga's progress to date: Three new factories hiring about 625 workers with a \$1 3/4-million annual payroll, an 18-hole golf course so crowded with tourists each summer they're now planning a second one only three years later, a new bank capitalized at \$500,000, plus an estimated \$14 million building program for the next 5 years.

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In Iowa, Extension Service follows this procedure to identify and interest lay leaders. First the county agent picks 5 or 6 persons he considers to be thinking, respected, recognized leaders. Each of these leaders was asked to name another half dozen persons whom they know to be willing and able to take leadership in general economic and social growth in their counties. They were asked to pick people who would think on an area basis and beyond themselves. All those names were listed.

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More than 300 leaders were identified from this survey. From names which came to the top of this list most often -- some as many as 14 times -- 60 persons were chosen as the general area committee.

These 60 persons were invited to an area meeting where the proposed area program was explained. Leaders enthusiastically accepted the plan and set up an 11-person steering committee, one person from each county chosen by leaders themselves, not by Extension agents. Leaders came from all walks of life.

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I present these North Carolina, New York and Iowa examples as ways the job is being done -- not necessarily the ideal way -- but ways with which we are experimenting. Other states are using different procedures. As we study results we can learn the most effective procedures. We shall be interested to know the results of your organizational procedures.

#### Project Implementation

Extension also plays an important educational role in the formulation and initiation of projects to implement the RAD process. Here are some examples of what Extension workers have done:

Harrison, Perry, and Crawford Counties, Indiana: A timber resource inventory was an early step in the heavily-wooded area. Extension Service and State government foresters jointly surveyed the area in 1960. Findings led local people to request, and they received, a fulltime forester from the State government to help improve timber stands.

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In Kansas and Nebraska, State workers conducted a post-card survey in a trade area to identify problems that arose

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USDA 1567-63



from crossing State lines. They wanted to know in what towns people did their buying, sought recreation and social activities and went to church. They reported findings promptly to area merchants, community leaders and farmers.

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In Oklahoma the forest products marketing specialist studied a proposal to build a plant to make charcoal briquettes. Since the local people would be competing in a national market, he analyzed the entire charcoal industry. He also prepared a budget showing costs and returns for various sized plants.

The specialist gave the people a detailed report, both verbal and mimeograph, but no specific recommendation. In fact they did not expect one. Local folks decided what the report meant. In this case they have submitted a request for Federal aid to build the plant. They sent the study as supporting data.

#### Communications on RAD

You may recall Mr. Davidson's challenge at your 1962 annual meeting of rural extension workers: "The basic limiting factor...", he declared, "will be effective communication among the many agencies and people involved...The most important link...and potentially the weakest, could be between people in rural development areas with the real needs, and the experts and policy-makers. Communication both ways is vital. ARDA will work well only if rural people understand it well."

We in US-RAD feel the same way. In a survey of professional RAD workers they said their most serious obstacle was "creating public awareness and understanding."

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USDA 1567-63

The foundation of clear communication has been stated by the Illinois Extension Editor in these words: "Any successful program of communication requires that people receiving information shall be prepared to receive it. The best measure of preparation is desire... The information must also be in their own language. No one can teach anyone unless he first wants to learn, and then only when he can understand what is being presented."

The ARDA or RAD worker who gets best results knows how to motivate and communicate well with people.

As an ARDA worker, you can become, in effect, a reporter or certainly news source serving all your local editors. If you are a press, radio or TV farm editor, you can build solid citizen support for ARDA in your own way. Your mutual goal is to help people understand ARDA well.

Just what can ARDA and RAD workers do to further this understanding?

First, invite all press and radio editors to attend all committee meetings. Second, hold special briefing sessions for editors to give background information and answer questions. The Delta County, Michigan school study committee did both these things. The result was excellent news story and editorial coverage throughout the study...and thorough public understanding at voting time.

Third, suggest story ideas to editors for them to investigate and to write. The Northern Michigan RAD area information man suggested 20 topics for feature stories to one local daily paper editor; topics came from a master community plan of several hundred pages. The RAD man wrote three stories and the editor wrote 17 more. The editor received many honors for his deep interpretative reporting. And his readers surely understood community growth plans far better.

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Fourth, send well-written news stories, personal columns, success stories and good photos of ARDA regularly to all local press-radio-TV editors. Many of our State Extension editors carry on regular training along these lines for State and county workers.

Now, what can an editor do about ARDA or RAD?

First, he can serve on committees. In Iowa's 11-county RAD area one newspaper editor on the area steering committee reports their meetings for all papers and radio stations. One county extension office mimeographs and mails these releases. Iowa folks say this builds excellent relations with local editors.

Second, lend a helping hand when you can. The Kalkaska County, Michigan OEDP went into every home when the weekly editor gladly printed it in full when the RAD committee sought his support. He then used this same type for a booklet; he and the committee shared these costs. People read that OEDP too; about 200 phoned in to report minor typographical errors! Again, finer community understanding and support. In many areas I know of, the local editor helps draft the narrative text of the OEDP.

Third, dig hard for more creative ideas for local, regional and national coverage. Your long-established National Farm Forum, combining network radio with hundreds of small group discussions, is excellent! I'm sure your two or three programs on ARDA so far have built strong understanding among listeners.

More such creative communication ideas are yet to be born, if we only seek them. Here are a few ordinary ones: Publish special editions on ARDA progress, sponsor a development contest under ARDA auspices (widely used in our Southern States) or encourage and unite total community support from all organizations.

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USDA 1567-63

Fourth, proclaim your views. Your printed or spoken word can report, interpret and persuade; you can help guide growth plans by serving on committees; your personal contacts with other leaders give you great influence on community work toward economic growth. In these ways and others you can help build solid citizen understanding and support.

A healthy economic community never hurt any editor yet!

Thank you.

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June 20, 1963

UNITED STATES DEPARTMENT OF AGRICULTURE  
Rural Electrification Administration

I consider it a privilege to come out here and take part in your REA discussions. To me you represent one of the truly great teams that the Federal government has in the field. Your accomplishments are many. You discovered and developed rural leadership where it was needed. You provided technical know-how where it counted. Perhaps above all, you kindled the enthusiasm that moved this Nation to provide electric and telephone service to our rural people.

While you carry the ball out on the field, I would also like to say a word in behalf of the coach. In Norman Clapp you have a dedicated and able leader. His devotion to the REA program took form many years ago and has strengthened with time. I wish also to cite the Administrator's outstanding coaching staff, Deputy Administrator Dick Dell and Assistant Administrators John Scott, Dick Wood, and Frank Renshaw. They are veterans in the program and they give the Administrator the right kind of support in the right places at the right time.

In this work and think conference, we are focusing on three prongs of the REA movement -- three strong pillars of Rural Areas Development -- namely rural electrification, rural telephony and rural industrialization. These prongs are so closely related they actually are three parts of one great program designed for the advancement of our rural people. In which areas of this program lie the greatest potential for progress?

One concerns the public image of the REA program. In my judgment, this presents a real challenge to you men in the field.

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Address by John A. Baker, Assistant Secretary, U. S. Department of Agriculture, before the 1963 Rural Electrification Administration Field Conference, Netherland-Hilton Hotel, Cincinnati, Ohio, June 20, 1963, 9:45 a. m. (EST).

If rural America is to go forward -- and I have every confidence that it will -- the RAD programs administered by REA -- rural electrification, rural telephony and rural industry -- must stand as great pillars of strength that will spark and sustain its growth.

Despite the great good that these programs have brought to all America, we hear across the land unfriendly voices directed against them. You hear them in the commercials and see them in the ads.

I can assure you that you and the cooperatives are not in this battle alone. President Kennedy, Secretary Freeman, and I and a majority in Congress are back of you.

We stand foursquare behind G&T loans where needed.

We are back of the cooperatives' right to live and grow in peace in the rural service territories they have developed.

We support the cooperative idea of member control rather than government regulation.

We support fair taxation, but oppose punitive taxation and we oppose a change in the 2 percent interest rate.

We support REA because we know these programs are essential to economic health in rural America.

The rural electric, rural telephone and rural industry programs are great not just because they penetrate forests and reach across prairies as never done before; not only because they represent advances in engineering technology; not because they are paying their own way; not even because they are locally owned and controlled -- noteworthy as these factors may be. These programs are great because they help rural people in their quest for a better way of living and a better way of doing their jobs.



The "pigskin" we are talking about here today is what is good for rural people. That's the ball I trust we are keeping our eyes on at this conference and later when we return to our respective posts of duty.

While the voices opposing parts of the rural electric program may have certain therapeutic properties that keep us on our toes, they can by no means be ignored. Far from it. We will find ourselves in water, both hot and deep, if a substantial part of the misinformation about rural electric cooperatives that is flooding the land these days is believed by enough people.

The rural electric, rural industry and rural telephone programs will thrive only to the extent that the housewife at the market, the worker at his machine, the doctor, the repairman, the office secretary, the corporation president, the politician, the teacher -- and all the others that make up this great country -- are willing to let them thrive.

It was Lincoln who said, "With public opinion on its side, everything succeeds; with public opinion against it, nothing succeeds."

In this connection, I wish to commend your new Five-Star Program. You are getting the details in this meeting. This program, vigorously pursued, can lead the rural electric cooperatives to new heights in service to our rural people.

To accomplish this, every cooperative must move forward on all five fronts. Nine hundred cooperatives across the land can be doing a good job, but if a single one loses sight of its real objective of service to rural people, the whole group pays for it. As you well know, REA policies and recommendations on such matters as capital credits, area coverage, merchandising and investments of general funds have been worked out after long years of analysis, planning and experience in which the best brains of the cooperatives have taken part.

You field people can help build the good reputation of the program by encouraging every cooperative to make use of the accumulated knowledge and experience gained in dealing with troublesome problems.

You know that cooperatives have not asked for any special privileges. Any other business could have received the same terms if they had elected to do the same job the cooperatives have. You and the cooperatives have no apologies to make on 2 percent interest. It is one of the equalizers that helps bridge the vast chasm between 3.3 consumers to the mile the rural electric cooperatives serve and the 33 consumers to the mile the power companies serve. It is needed equally as much to extend the benefits of adequate telephone service to our rural people.

Some well-intentioned people believe that giving ground on the interest rate issue would solve most of the problems of the cooperatives and quiet unfriendly voices. Don't you believe it. Any such weakness would be interpreted as the proverbial chink in the armor and the opposing voices would grow bolder and stronger. Encourage the borrowers with whom you work to stand their ground on this issue and all the others and continue forward in the knowledge they are right.

Rural electric, industrial and telephone loans are important and essential elements in the success of the stepped-up, nationwide Rural Areas Development effort now underway. Adequate rural electric and telephone systems make direct, indispensable contributions to each and everyone of the multiple purposes, goals, and aims of Rural Areas Development, and, in turn, their own financial success is dependent upon our relative success in attaining the other aims of RAD. That this is true is self-evident as a consideration of a brief list of these aims will indicate. Through RAD, we seek to:

- preserve and improve family farms;
- adjust land use to human and national needs;
- provide new nonfarm jobs in rural areas through industries, businesses, and training;
- develop new recreation facilities on private and public lands to bring in tourist dollars while providing needed recreation for urban and rural people alike;
- develop our rural resources for the maximum benefit of all the people;
- improve rural facilities such as schools, highways, water supplies, and hospitals.

I need not stress here the nature of the RAD partnership between the people and their Government. Quite frankly, the REA pattern was one of the prime ingredients that went into the planning of RAD from the very beginning. The REA program had demonstrated the progress that can be made when the initiative, drive and ingenuity of rural people are supported by expert financial and technical assistance from the Government.

Secretary Freeman and the rest of us have frequently expressed our pleasure with the way you and your borrowers have applied the REA pattern to RAD during the short life of the program.

We knew from the beginning that REA borrowers had a major economic and social drive to develop the areas they serve. We knew these borrowers had developed thousands of rural leaders. We knew the borrowers were going organizations with personnel and other resources they could unleash to get this job done. We knew borrower members included all segments of the rural economy. We knew the borrowers served in almost all the rural counties of the nation.

We also knew that these borrowers had the tremendously important support of specialized help through you field representatives and the REA Washington staff.

What we did not know back in 1961 was how rapidly these drives and these resources could help to get the highly complex RAD effort on the road. All of you would have to work with new agencies of Government, some almost unknown to you previously. You had to learn about new loan programs and sources of technical help, about new laws and new organizations. You had to learn to work with new organizations of town and rural people, who also were struggling with strange new tasks.

And you have had to learn to use the new RAD tools the Congress and the Administration provided through the Area Redevelopment Act, the Food and Agriculture Act of 1962, the Manpower Development and Training Act, the Public Works Acceleration Act of 1962, and others.

You and the REA borrowers have responded magnificently, fighting your way through the complexities, learning to use the new tools. Assigned prime responsibility to help develop industries and businesses, it did not take you and your borrowers long to move RAD from the realm of theory through ground-breakings to going payrolls. As you know, by last winter REA borrowers reported more than 400 industrial and commercial projects already under construction or in operation -- projects providing about 30,000 direct jobs and about 20,000 indirect jobs.

Secretary Freeman and I have been reporting these figures all over the country -- and to the Congress. Then just recently I learned that REA made an on-the-spot survey in North Carolina and found that the electric borrowers there had helped create five times as many jobs as they had reported. RAD is beginning to roll -- and to you goes much of the credit.



I should add, too, that while REA has the primary responsibility to help rural people launch industries and businesses, it is a pleasure to note that you have not stopped there. You have been helping get rural people the hospitals, water systems and other facilities they need, recognizing that these are essentials to increased employment as well as to better rural life.

I congratulate you on the RAD progress you have helped make possible. On behalf of rural people -- the tens of thousands with new paychecks and the hundreds of thousands who benefit from those paychecks through Main Street Businesses and city factories -- I thank you.

But don't start resting on your laurels. We have only begun revitalizing rural America. What a few of you and your borrowers have well underway is still only a dream in other areas. What has been done to get one industry must be repeated and repeated until you have a dozen. We have only slowed the downward spiral; now we must help rural America on the long road up.

You are not alone in this task. In the Department of Agriculture alone, there are some 50 different programs that have a bearing on rural development.

The Extension Service helps local people organize their RAD committee, and gives educational leadership in analyzing the resources, needs, and development potential of the area. Then it assists in putting the program into action. I was in West Virginia last month to tour RAD activity in a six-county area. Everywhere we went, and at every stop that we made, we were met by local people who were organized and enthusiastic, in spite of overwhelming odds. In some counties, because of the decline of the coal mining industry, up to one-fourth of the work force was unemployed. Some areas are so mountainous that it is difficult to find enough level land to put a plant on, much less get it to locate there in the first place. But the local people are undaunted. They are working together and they are getting things done. And this is a direct result of the work that the Extension Service has done.

Other agencies also have committed large reserves of money and manpower to the rural areas development effort. Credit programs, centering largely in the Farmers Home Administration and REA have been enormously strengthened in funds, in kinds of assistance, and in the extension of credit to rural people other than farmers.

Much greater emphasis is being given to the cooperative approach -- to helping people help themselves through the organization of rural cooperatives. You will be hearing much more about this in the months ahead.

Our research and technical assistance programs have been strengthened. Some of you have seen what small watershed projects can do to strengthen and revitalize an area. Others of you have seen people put to work and recreation facilities improved through Accelerated Public Works spending by the Forest Service.

And I should like to emphasize that other farmer cooperatives, as well as the rural electric cooperatives, and the more than 2,900 soil and water conservation districts in the country have provided outstanding leadership for Rural Areas Development. In the cooperatives and in the conservation districts, responsible men already were providing competent leadership for specific phases of rural economic development. They were ready -- they had the vision -- they had the ability -- to move forward in the over-all program of rural economic growth -- the nation-wide Rural Areas Development program.

In stimulating the development of both public and private outdoor recreational areas in rural areas, we hope to solve a modern paradox. The paradox is, of course, the fact that we have more land than we need producing food and fiber while at the same time we have a shortage of land devoted to recreational pursuits. In promoting new outdoor recreation areas, we also will be killing two birds with one stone in another way. We will be providing farmers with a new source of income while helping city dwellers and suburbanites acquire the recreation facilities that they want and need.

Recreation is big business, and it can mean big money. A study of the impact of the recreational use of large reservoirs on the economy of several low-income rural counties in Arkansas, Texas, Oklahoma and Missouri shows that for each 1,000 recreation visits, bank deposits in the counties increased between \$50 and \$150 over counties not in the reservoir area; the volume of wages was up between \$150 and \$250, and the volume of retail trade gained between \$60 and \$180.

For the country as a whole, there were 80 million vacation trips in 1960. It is estimated that by 1970, our increased population will take a total of 128 million vacation trips. In the North Central area of this country, this increased vacation travel is expected to mean an increase of \$13 million in bank deposits, an increase of \$27 million in the value of wages, and another \$16 million in increased retail trade.

Your Illinois snow-making machine is a symbol and a challenge. It is a symbol of future trends in rural areas. The attacks on it are a symbol of the even greater barriers placed in the path of both rural recreational facilities, of expansion and encouragement of cooperatives and of broadened civil rights for Negroes and other deprived groups.

As one of your bosses, may I charge you to give even greater effort and dedication to:

1. Improved employment and participation rights of Negroes;
2. Expansion of rural income-producing outdoor recreation development; and
3. Increased effort and emphasis to expand rural telephone and other industrial and business activities in the cooperative pattern.

Being out in the field, and specializing in the programs of REA, you may have little opportunity to meet and work with other Department of Agriculture personnel, you may feel at times that you are alone.

Never forget that in the United States Department of Agriculture you have a great organization behind you -- one that you can be proud of.

Many people are vaguely familiar with USDA's commodity programs, and the things that we do for the farmer. But not too much is known of our service to consumers.

The next time you are critically ill, it could be drugs which the Department's Agricultural Research Service helped develop that will save your life. During World War II, British scientists discovered penicillin. But they were unable to mass produce it in the quantities demanded by war. They turned to the United States Department of Agriculture for help. A world-wide search was started for a strain of *penicillium notatum* -- bread mold, we'd call it -- that would yield more penicillin. A Department lab worker found the strain in an Illinois vegetable market. He noticed a cantaloupe covered with mold. It was a high-penicillin producing mold. Then the Department developed a fermentation process that enabled the Allies to mass produce the life saving antibiotic.

ARS also developed the blood plasma extender, Dextran, in helping a soft drink bottler. The bottler came to the Department to find out why his root beer was spoiling after he bottled it. Department scientists isolated the culprit, an organism that feeds on sugar. The soft drink man went away happy, and the Department added the organism to its research culture collection. Then, when the threat of nuclear war created the demand for a plasma stockpile, someone remembered the root beer case. Through another fermentation process, they developed Dextran as a plasma extender.



The Department's work is of direct benefit in many other ways to human health. Naturally we would think first of the Department's role in improving human nutrition -- improving diets. But the Department's work is largely responsible also for the decline of undulant fever. This weakening disease in humans usually comes from cows with brucellosis. Through control of brucellosis in cattle -- a major Department program -- the number of people suffering with undulant fever has declined.

We think of meat inspection as protecting the consumer -- which it does. But not long ago, a meat inspector discovered a cow with tuberculosis at the stockyards where he worked. The cow was condemned, of course, as unfit for human consumption. The cow was traced back to the original owner -- and for the first time it was discovered that a member of the owner's family was a victim of tuberculosis.

Departmental research also led to the development of frozen orange juice concentrate, wash-and-wear cotton fabrics, the dehydrated or "instant" mashed potatoes which are finding growing acceptance and a host of other products ranging from apple-bagging machines to stretch cotton for baby diapers. More than 1,800 patents have been granted to the Department as a result of its research work, and these findings are available to the public without cost.

Our public service does not end with research, however. Through the small watershed program, for which the Soil Conservation Service has leadership, we are developing recreation areas where people can fish, swim, picnic and engage in a full-range of outdoor fun. They also can tap watershed reservoirs for municipal water, or use it to lure a water-using industry to their community.

The Forest Service, the largest of USDA's 16 agencies with more than one-fourth of all its employees, does far more than watch over our National Forests and play host to our recreation-minded public. It sells more timber than the world's biggest timber company. In 1961, it built or supervised the building of enough Forest roads to stretch from the Atlantic to the Pacific and halfway back again. And it operates the world's largest fire department -- fighting 12,000 fires a year. The Forest Service smoke jumpers school is so good that the Air Force sends personnel there for training.

I could go on and on. Practically every agency has some little known service which it renders to the public.

On Monday you will be returning to the field to duties and responsibilities almost unparalleled in their opportunity to help make our great democracy work.

There is a real challenge to our Government in the 4 million rural homes where incomes are less than \$2,500. This is also your challenge. You have demonstrated for all the world to see that you can lead the way to good rural electric and telephone service, two real foundations of a modern rural community. I am confident that you can lead the way also not only to rural industry and business which is your specific job but also the whole broad effort for Rural Areas Development so that our people, young and old who desire it, can have the kind of useful work they are capable of doing.

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THE DISADVANTAGED: WHAT OF THE FUTURE

This opportunity to participate in a part of your annual conference is appreciated.

Your emphasis on the poverty and near poverty in rural America is particularly gratifying. The families who live under these conditions make up the largest number of deprived of any group in the Nation -- a heavy burden on our national conscience and a handicap to our exercise of world leadership for democracy and freedom. These families need your friendship and support.

Yesterday, Howard Hjort identified the rural disadvantaged and described their condition and problems.

Today, I should like to mention some promising avenues of locally-initiated corrective action through which some problems of rural poverty may be solved and to indicate Federal programs of technical and financial assistance that may usefully be called upon to supplement local and private efforts.

Elimination of the causes of rural poverty is a major aim of the Department's rural areas development effort, a comprehensive activity to which Secretary of Agriculture Freeman has assigned first priority emphasis.

8 Million More Rural Jobs in 10 Years

A good share of the causes of rural poverty, and the actions to correct them, are cultural and social. But an even greater share are broadly economic.

In economic terms, the magnitude of effort required to erase rural poverty can be expressed as the need to create over the next 10 years an equivalent of 8 million additional full-time jobs for rural Americans at national average wages.

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Talk by John A. Baker, Assistant Secretary, U. S. Department of Agriculture, before the Annual Conference of the American Country Life Association, Inc., Raleigh, N.C., July 10, 1963, at 9:15 a.m.

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- 2 -

The equivalent of 4 million new full-time jobs will be required to eliminate existing underemployment and unemployment in rural areas, and new jobs will be required for 4 million more rural young people than will be able to find opportunity to replace retiring persons in adequately rewarding rural employment.

To bring about an increase of 8 million new economic opportunities in 10 years is no mean undertaking. But it is the responsibility we must project and undertake if we really seriously intend to attain a poverty-less rural America. Where can we look -- what can we do -- to find 8 million new jobs in 10 years for rural Americans?

For each of these jobs there are three prerequisites: An effective market for the product; the job itself; and a competent worker to fill it. To be successful over the long pull, action to create jobs must realistically encompass all three of these elements.

#### Adequate Family Farms

An increase in the number of adequate family farms will provide some new adequate jobs in the next 10 years. Farming is, and will continue to be, the backbone of the economy of most rural areas. With proper farm programs and policies, the number of adequate family farms can be increased at an even more rapid rate than has so far been attained. An important part of the solution of rural poverty, and, therefore, one of the major aims of the rural areas development effort, is to preserve and improve the family farm pattern of American agriculture.

A very large part of responsibility here rests with the individual farm operator and his family and with his free farm organizations and cooperative business institutions.



In furtherance of the Nation's traditional family farm policy, Congress has made available, through the Department of Agriculture, various useful services with which we are all familiar -- income stabilization by means of commodity programs, crop insurance and emergency and natural disaster loans -- educational and technical assistance to reduce farm costs and adopt new enterprises and improved methods by means of extension of research results and program information; technical assistance through soil and water conservation districts and state foresters; loans, technical assistance, and counseling to farmers and cooperating groups of farmers for customary farming enterprises and new income-producing efforts such as grazing associations, outdoor recreation and farm vacation facilities, fish farming and farm forestry; and technical assistance, loans and cost-sharing payments to aid rural land owners to make fundamental long-term land use adjustments required by the national interest.

As you know, Secretary Freeman acted more than a year ago to improve and step up the integration and coordination of all the Department's family farm services in their application on a farm-by-farm basis.

Reliable economic projects indicate that the growing market for food, fiber and timber will provide room for some of the needed additional rural opportunities on an increasing number of adequate family farms. But overall, we must recognize that increasing productive efficiency of the family farm is such that a further drop in total farm employment must be expected. Obviously farming is not going to provide near all the equivalent of 8 million needed new jobs for rural Americans.

### Rehabilitation-in-place

These economic projections, also, clearly indicate that many rural and farm families who are enmeshed in poverty will not have room within agriculture to expand to fully adequate family farm operation, if indeed they had the will or ability owing to age, education and physical handicap to do so. Of course, many of them do not.

Many farm people over 45 years of age, lacking basic general education, and often with debilitating physical handicap, even with the best available programs for manpower development and retraining, cannot in any large numbers be realistically expected to become skilled production workers in automated factories or office workers in a business. Nor can they aspire to fully adequate farm operation. Yet for many of these, the alternative to continuing to farm is migration to town or city to add their names to the relief and welfare rolls.

The course of civilized society is rehabilitation-in-place for these families, where some improvement in continued farming operations and obtaining of simple off-farm jobs will enable the attainment of some improvement in living levels that will make their lives more satisfying without migration away from the farm.

The services of all of the Department's farmer programs of loans, technical assistance, education, cost-sharing and price supports are available to members of this group whose continuance in farming until retirement or voluntary migration has been projected in our long-range programming.

The key point as to national interest in regard to this group, in my thinking, is that the children growing up in these homes should be accorded something as nearly approaching an equality of educational opportunity and home environment as the situation allows so that the second and third generations will not be unable to escape the ever repeating cycles of poverty that breed poverty.

### Part-time Farming

Many rural families have been able to obtain adequate incomes by combining off-farm work with farming operations. In fact a sizeable part of the total family income of the farm population is now from non-farm sources, about half from wages and about half from non-farm self-employment enterprises.

But some part-time farm families have not been able to obtain adequate incomes from all sources. Many of these low income part-time farmers can be enabled both to improve the income-producing ability of their part-time farm unit and to obtain more remunerative off-farm employment.

With a more rapid increase in off-farm employment opportunities in rural areas, part-time farming may well become an acceptable alternative for many able bodied, young, educated, but currently low income, farm operators who would be unable to find room within the market for full-time, fully adequate family farm operation. I think we should not rule out fully adequate, part-time farming by considering it as merely a transitional phase of migration out of farming. Rather it may well become a way of life and making a living for an increasing number of rural families.

### Rural Industrialization and Business Enterprise

Another major aspect of the nationwide rural areas development effort, and one which can make a major contribution to the new jobs required to eliminate rural poverty, is a much more rapid growth than we have thus far seen of industry, business and trade and professional services in rural areas. This is commonplace, and every active Chamber of Commerce across the land has been working hard at it for years. But if rural poverty is to be solved we must work even harder, because certainly private industrial and business enterprise must provide a large bulk of the increased jobs required in rural America as well as in the Nation as a whole.



The contribution of non-farm jobs in rural areas by cooperatives -- owned and operated by farmers and other rural residents -- has been more often overlooked than remarked. But the total employment so afforded is sizeable.

Of vital importance to the spread of rural industrialization and encouragement of rural business enterprise has been the rural electric and telephone cooperatives and companies. With low cost and dependable rural power and telephones coupled with the improved network of roads and highways, no longer is industry and business tied to the waterfall, river port and rail head. Industry can now afford to locate where people like to live -- in the open country.

In addition to rural electric and telephone loans, the Rural Electrification Administration also administers in designated rural areas, the industrial and business loans of the Area Redevelopment Administration and cooperates closely with the Small Business Administration in making available its many valuable services within all rural areas.

We have leaned very heavily upon the volunteer services of REA borrowers for the promotion and encouragement of expanding business and industrial enterprise in rural areas. Many of them have responded, not only with leadership and hard work, but also have made credit available from their own funds within the strict limits we have placed upon them. Many have, also, borrowed REA Section 5 loans on their own security to provide supplemental financing required to help new enterprise get started.

Experience indicates that the cooperative form of private business enterprise is uniquely adapted to the needs of rural areas. And we expect that cooperatives and other locally-owned businesses, other things equal, may well prove most successful in helping to eradicate the causes of rural poverty.



### Public Investment and Expenditures

Public investment and expenditures by local, State and Federal Governments in the many appropriate and needed ways have a triple role to play in the elimination of the causes of rural poverty and contributing to a more rapid rate of rural areas development.

First, good things, such as reforestation, new school buildings, public recreation facilities, that need to be done get done;

Second, the making of these investments and expenditures provide employment for people who need jobs; and

Third, making of such investments and expenditures provide the climate and social capital or infrastructure required in the area as a base for a more rapid rate of investment by the private sector.

The three-fold value of such investments and expenditures are well illustrated by the highly successful accelerated public works program during the year just past.

We have been gratified by the beneficial results from the participation of the Forest Service, Soil Conservation Service and Cooperative State Experiment Station and Agricultural Research Services in the accelerated public works program.

The Farmers Home Administration provides loans and technical assistance to rural community water systems and administers in designated rural areas the public facilities loan and grant program of Area Redevelopment Administration. Working in close cooperation with the Community Facilities Administration and other agencies of the Housing and Home Finance Agency, Farmers Home Administration stands ready to assist rural communities and groups as well as individual rural residents with their developmental problems and programs. The provision of an adequate water supply and other community facilities is often the deciding factor in location of industry in a rural area.

Natural Resource Development and Conservation

The triple power of public investment to help abolish rural poverty is also illustrated by the Federal and State funds spent in the development and conservation of forests and other land and water resources. These expenditures provide continuing jobs; improved resources provide the base for expanding local industry and business; and the nation is richer by the improved resource security provided.

The multiple use concept adopted by Congress for our national forests is being rapidly expanded to State and privately owned forest crops and pasture lands. And the Forest Service, in recognition that a very large proportion of the areas of the greatest concentration of rural poverty are found adjacent to heavily forested areas, has moved to put special emphasis upon stabilization and more rapid economic growth of farm-forest communities and the development of forest-based local industries as well as the development of better forestry on privately owned lands.

Similarly the expansion and conduct of publicly-financed fundamental long-term conservation of crop, pasture, forest and recreational land and water resources provides to the poverty eradication program the same three-fold values.

In the Food and Agriculture Act of 1962, Congress inaugurated a new program that could hold great promise in this field .... Resource Conservation and Development projects. These projects, operated by local public authorities under State laws, will enable the correlation of public and private efforts on an area basis to serve needs not covered by other existing agricultural and soil conservation programs.

The Negro and Other Specially Handicapped Groups

The rural Negro, Indian, Spanish American and the member of a few other special ethnic and racial groups are doubly disadvantaged. Consequently, they share all the debilitations of an even deeper poverty and have an even harder hill to climb to escape it. These problems, as the members of this Association know, are exceedingly complex and their solution requires a large variety of activities to solve. My mentioning them here is only to say that efforts to eliminate the causes of rural poverty must take these specially difficult factors into account.

Members of these specially disadvantaged groups must be helped to understand that RAD services are fully available to them and they need to be helped to learn how to participate in them. This we are attempting to do. In addition to establishing a special equal-opportunities unit in the Office of Rural Areas Development, all of the Department's agencies with major rural areas development programs -- Forest Service, Soil Conservation Service, Agricultural Stabilization and Conservation Service, Extension Service, Farmers Home Administration, Rural Electrification Administration, Farmers Cooperative Service, and others are making special efforts to see that knowledge of and opportunity to participate in their programs and services are afforded on a truly equal basis to members of specially disadvantaged groups.



### Hired Farm Workers

The causes of rural poverty cannot be eliminated until completely effective actions are taken to upgrade the status, pay and working conditions of hired farm workers. And, in fact, the foundation for stable successful family farm adequacy cannot be assured until this is done. The Kennedy Administration is pledged to take such action. Hired farm workers can and should be accorded the same status recognition and treatment as non-farm wage workers.

### Outdoor Recreation

Of all the alternatives for improved land use adjustment and increasing job opportunities in rural areas, the one prospect with the apparently most rapidly expanding effective demand for the product appears to be in the field of outdoor recreation.

The development of farmland and other outdoor recreation facilities promises to produce some of the 8 million new jobs that we need in rural America in the next decade.

The demand for outdoor recreation has zoomed since World War II. Today, outdoor recreation is a \$20 billion a year business. We are expanding recreational facilities in the National Forest; State and National Parks are being improved. But the need for new outdoor recreation facilities cannot and should not be met on public land alone. It must be met in large part on the privately-owned farms and ranches within easy driving distance of our major cities.



To help farmers switch from the growing of excess crops to the marketing of recreation, the Department now offers a new but limited selection of loans, cost-sharing agreements and technical assistance. Congress established these new activities under the Food and Agricultural Act of 1962.

When it was first revealed that the Department of Agriculture could make recreation loans, we received more than 5,000 queries within a matter of weeks. The first loans were announced less than three months ago. At last count, the Department had loaned more than one-half million dollars to 47 individuals and four associations to develop shooting preserves, on-farm accommodations for vacationers, picnic and camping facilities, and lakes for boating, fishing and swimming. I would like to emphasize that these are loans that must be repaid with interest. That interest rate is currently five percent.

We also are helping farmers switch to recreation through a cropland conversion program. This program, which is part of the overall Rural Areas Development program, provides for 5 to 10-year agreements with farmers to convert cropland to recreation, or to grass, forests, or wildlife use. An adjustment payment is made on land suitable for continuous cropping to encourage farmers to participate in this program, and to help them meet the cost of establishing the new use. Latest figures show that about 250 farmers in 41 states have filed applications to convert nearly 19,000 acres to recreation.

There are already thousands of farmland recreation areas in rural America. And many of the operators are making money. I know of one rancher who reports he made \$2,500 running cattle on his range, and received \$72,000 from elk hunters. This is, of course, an exception. But there is money to be made in providing the recreation that city dwellers want and need. Studies show that 24 tourists a day can bring as much money to a community as a plant with a \$100,000 a year payroll.

### Watershed Projects and Rural Housing

It may seem strange that I should mention watershed projects and rural housing loans in the same sentence and in the same section of this paper. Certainly they bring about tangible end products that are quite different. A newly completed watershed protection project and a new rural home look quite different.

But in terms of wiping out some of the root causes of rural poverty they both have special and valuable properties in common. They both contribute to increased employment during the period of construction. But even more importantly they appear to add a large plus quantity to the marginal efficiency of capital in the rural area where constructed. They add an ingredient of renewed hope and faith in the future. And economists tell me that the psychological content of the expectations that govern investment decisions is quite high.

Whatever the reason, our experience has been that watershed projects and new rural homes have drawn new industry, new business activity, improved public facilities and a new spirit of enterprise and optimism in every rural area in which they have been erected. Certainly expansion of both these programs is essential for the success of the on-going rural areas development program to provide the needed jobs to reduce rural poverty.

### Rural Renewal

In 1962, Congress enacted a completely new program which we are inaugurating on a very cautious and gradual basis. But in the long run, it may well turn out to be one of the most fundamental steps we have taken in these years toward the ultimate eradication of the causes of rural poverty. We call this new approach a program of rural renewal projects. It is expected that the governments of a local rural area of workable size may join together under enabling state laws and request to be designated as a rural renewal project area.

In addition to all of the other rural areas development programs of the Department of Agriculture and other agencies of the Federal government which could be utilized in the area, special personnel would be assigned to aid local leaders in developing activities completely to revitalize the area.

Special loans to such local public authorities would be available from the Farmers Home Administration to meet those needs of the area as could not be met through the regular programs now in operation. It would be expected that in such areas no stone would be left unturned to discover and improve every possible avenue for raising the income and living standards of the people of the area. In some respects we are looking upon this new program as somewhat analagous to the successful urban renewal programs of our cities.

#### Planning, Promotion and Integration

In many different parts of the country highly promising rural areas development activity is underway.

These gratifying success stories, which every day are multiplying, are the direct result of hard, dedicated, volunteer work of many thousands of local area development leaders who have given selflessly of their time, energy and fortune to pull together all of the diverse forces in their areas to capture the hybrid vigor of group activity. Basing our decision on the successful examples of countless farmers' cooperatives, of the fine working relationships of REA and the electric and telephone cooperatives' boards, of SCS and the boards of supervisors of soil and water conservation districts, of the democratically elected farmer committee system and of the volunteer advisory committees of the Extension Services, we have grounded the rural areas development program on lay volunteer local, state and national rural areas development committees and boards, or whatever name they choose to adopt.



To provide them with the highly competent expert assistance in the techniques of group action for economic development, we asked the cooperative Federal-State Extension Service to assume responsibility for educational and organizational leadership of rural areas development efforts throughout the Nation.

After 30 months of nationwide operation we are gratified with tangible indications of progress.

We have seen enough to be sure that the causes of rural poverty can be eliminated from the land of rural America. But we have also seen enough to know that rural America cannot prosper alone.

#### General Education and National Economic Growth

If our nationwide efforts to eradicate the causes of rural poverty are to have a fair chance to succeed, if rural areas development is to be more than a wheel-spinning effort to more uphill on slick footing, progress must be made simultaneously toward attainment of two worthy/high priority/national goals -- (1) widespread, high quality general education and (2) a more rapid rate of national economic growth (and a lower chronic level of unemployment) than we have seen for the past decade.

Rural areas development is a special and unique approach within a national full employment program and cannot succeed unless the whole succeeds. Adoption of the many non-farm and non-rural employment increasing proposals and of the proposed Federal tax cut are as essential to the success in eliminating the causes of rural poverty as are the specialized rural areas development programs I have outlined. New jobs for 8 million rural Americans cannot be created unless the economy as a whole can meet the challenge of a needed 60,000 new jobs each week to replace jobs abolished by automation in office and factory and the large numbers of the war babies joining the work force.



Similarly, expanding demand can create the need for new workers but the job cannot be filled unless there is a properly trained worker. And the best of manpower development and retraining programs cannot properly provide workers to fill jobs unless the potential trainees have sufficient general education to benefit from the specialized training. I am convinced that local and State tax bases are not sufficient to cope with this national problem and Federal aid to general as well as vocational education on a national basis is required.

#### Proposed Rural Life Commission

Change in rural America is taking place at an unprecedented rate. None of us is sure where it is headed or whether the efforts we have underway are what the future demands that we should be doing now.

There is a growing awareness that America's land and water resources should be increasingly utilized for national needs other than farming. Much research has been done on the fundamental changes that are occurring in our rural areas. For many citizens and public leaders, however, this accumulation of fact and opinion remains unclear in its implication. There is great need for evaluation of present research. It is important to investigate even further some of the puzzling facets of our national rural life in order to bring our needs and goals into sharper focus.

This was done for the Nation by a Commission on Country Life in the early years of this century during the administration of President Theodore Roosevelt.

Recently, President Kennedy had submitted to Congress a bill to establish a Commission on Rural Life along the lines of the proposed legislation put forward by members of your Association for many past years. The purpose of the Commission would be to study the rapid changes underway in rural America and find ways to preserve and nurture recognized values of country living. The Commission would advise and recommend courses of action which would help the Nation act wisely in this era of drastic change in rural community living.

This bill has been introduced into the Senate by Senators Hartke, Bayh, Burdick, Church, Gruening, Hart, Humphrey, Javits, Inouye, McGee, McGovern, Muskie, Nelson, Randolph, and Yarborough. It has not yet been introduced into the House, but is under discussion in the House Subcommittee on the Family Farm.

I am proud that the Administration of which I am a part has seen fit to back the proposal so many of you have sponsored. We will need your continued guidance and support. We shall appreciate your counsel at all times. I hope particularly that you will bring to my attention the things we are not doing that we ought to be doing and the things that we are doing wrong that ought to be corrected.

Thank you for the opportunity to discuss these matters with you.

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A New Dimension in Cooperation

We are meeting today in a period of rural change -- rapid -- without precedent.

None of us is fully certain where these changes are taking us. But a great nationwide effort for rural areas development is underway -- an effort propelled by the aspirations, hopes and leadership of people in rural America.

Cooperatives are making a big contribution to this effort.

Today I want to challenge you to make an even greater contribution to rebuilding the rural community.

We in the Department of Agriculture are convinced that the strength and continued growth of cooperatives are uniquely essential to rural prosperity -- and rural prosperity is uniquely essential to national welfare. We are prepared to take more far-ranging steps than ever before to help you. I will explain this in more detail later.

Immediately upon assuming office, Secretary of Agriculture Orville L. Freeman directed that all employees and agencies of the Department work closely with cooperatives; that they actively encourage development of sound cooperatives in rural areas where needed to increase farm income, to improve rural living, and to promote more rapid economic growth and development.

Our efforts to implement the Secretary's directive have been continuous and there are tangible, encouraging results.

Rural Renaissance

A renaissance is a period when society as a whole rediscovers the great values of its own traditions and seeks to develop them in the context of new and challenging circumstances. Such a time is now in rural America.

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Address by John A. Baker, Assistant Secretary of Agriculture, at the annual meeting of the American Institute of Cooperation, University of Nebraska, Lincoln, Aug. 5, 11 a.m. (CST)

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Among the abiding values of American tradition are the opportunities for creative living provided by country life, the production efficiency and social advantages of the family farm pattern of American agriculture, and the unique merits of the cooperative form of private business organization in critical areas of an open competitive enterprise system.

The challenge we face can be put simply: How do we fit these values into the new America that is emerging under the pressure of automation and mechanization, of the changes which science and technology bring to the farm, office, factory, and shop alike?

There is strong evidence that the people and institutions of rural areas throughout the world are caught up in these changes. For only in our time has so much emphasis appeared simultaneously in rural areas development in Canada, western Europe, and some areas of the Far East -- in most of the highly industrialized as well as many of the developing nations.

To paraphrase Shakespeare: "This is a tide in the affairs of men that we who love country life have an opportunity to take at the crest -- an opportunity we cannot afford to miss if we wish to further the abiding values of our way of life."

Cooperatives have an opportunity and a grave responsibility to take part fully and effectively in this new rural renaissance, to contribute to it, to nurture, improve, and shape it.

Some 23,000 cooperatives in rural America are caught up in this tide, whether they will it or not. They can be buffeted, tossed around, and injured by it or they can harness and direct the energy of this tide into constructive channels.

More



Rural Aims

The world-wide rural renaissance represents a striving for the aims of rural areas development.

In the United States, the goals which directly involve cooperatives are:

1. To preserve and improve the family farm pattern of agriculture.
2. To bring rural income up to a level equal with incomes nationally.
3. To create job opportunities with good wages through rural industry, recreation and other business enterprises, both cooperative and proprietary.
4. To encourage more rapid development of recreation facilities on rural land to meet the growing demand of an expanding population.
5. To encourage adjustment of land use into patterns which will utilize each acre and each resource as the nation most needs them.
6. To provide the technical and financial assistance necessary to conserve soil, water, forest, fish and wildlife and open spaces resources.
7. To encourage rural communities to provide and support the public services which people expect the modern community to provide.
8. To eliminate all causes of rural poverty.

(more)

### Challenge to Cooperatives

It is in the context of these aspirations and efforts to attain more rapid progress that the Department of Agriculture policy finds its full significance.

By taking part in and contributing to the emerging renaissance, cooperatives may well find the opportunities, spirit and vigor that marked the beginning of this great Institute and the formation of so many of your member cooperatives.

What is the challenge to cooperatives? First it is to take the lead in efforts to preserve and improve the family farm pattern of American agriculture.

Much of the discussion over whether the family farm will win the battle for survival is misleading. For instead of wasting away, the adequate family farm, in terms of production efficiency, is a growing dynamic force. It has set a fast pace with vast increases in efficiency. It has more than doubled the rate of productivity increase in the nonfarm sectors of the economy.

However, the family farm can be driven out of existence by forces outside of farming; by the overwhelming bargaining power of those who sell to and buy from farmers; by vertical integration of farm production with food processing or distribution or both; by contract or captive farming; or even by an imposed incapacity to fit the efficiently produced output of small farms into the narrow requirements of big processing and distributing companies.

(more)

Until recently, our food and fiber was marketed through an open system of markets, usually free of widespread or continued domination. The operations of the market were impersonal, visible, and often largely self-regulating. It was a system that was developed to channel the output of small farms through the processing plants and into a retail system with many thousands of small and independent stores.

Now there are far fewer buyers at the retail level and they are vastly larger. The merchandising requirements of these retailers are being met, to a large extent, by an almost completely new system. The rise of mass buyers has given birth to new methods and techniques of procurement.

It is obvious that as long as overproduction continues to plague American agriculture, there remains a clear need for commodity programs to insure that adequate family size farms have the economic muscle to compete in the market place.

The question of the types of national farm policies necessary to insure a viable family farm agriculture is not yet settled but both you and I know that farm families, by joining together in strong and integrated cooperatives, can do much to assure that the family farm will continue as an essential part of our social and economic structure.

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We, in the Department, stand ready to encourage the growth of cooperatives that--in conjunction with appropriately designed commodity programs--will strengthen the market position of the farmer regardless of the forces in the market place.

Farm families can strengthen their ability to survive in a changing market pattern by joining together in strong cooperatives. We need to determine whether existing cooperatives can expand their services into other farm-related industries. We need to strengthen the legal power of cooperatives to compete more effectively with the growing centers of power within the market structure of agriculture.

We see cooperatives as the business enterprises into which rural people of all economic and educational levels can pool their resources for mutual gain and the common good. Working together in this effort, cooperatives can create the explosive burst of energy and economic growth that will build a prosperous rural America

#### Cooperatives Important in Non-Farm Rural Enterprises

The power of cooperatives to increase the income of non-farm people living in rural America is very great. This has been demonstrated in many different ways:

- by the jobs provided by cooperatives themselves;
- by the adaptable credit that enables farmers to build and operate their own business institutions;
- by the rural electric and telephone services that have brought modern light, power, and communications to farms and homes at a price rural people can afford and that attract industry to rural areas.

Cooperatives can meet the challenge of the future -- one, by consolidating and strengthening the institutions they have in customary pursuits, and two by expanding their activities to new fields of high national priority.

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USDA 2611-63



For example, George Lamb didn't retire from the cooperative movement when he retired as president of the Springfield, Massachusetts, Bank of Cooperatives. Instead he used his knowledge and skill to help cooperative groups forget old rivalries and join forces to work for common goals. His latest efforts have resulted in the consolidation of six small co-ops into the Long Island Duck Growers Cooperative.

The success of that venture goes far beyond the increase in net worth--from \$15,000 to \$2 million. The gains are measured by improvements in the farmer's posture in the market place. He is on an equal footing with those with whom he does business.

#### Cooperative Approach to Recreation and Land-Use

Cooperative recreation projects can benefit rural areas in at least six different ways. They can provide jobs for farmers and other rural residents, divert crop land to other uses, provide income from farm land and ponds, give the rural people a place for their own recreation, make the community more attractive to industries and businesses, and finally provide recreation areas for nearby urban centers.

Last November 40 farm families in southeastern Colorado formed the Prowers County Grazing Association -- the first cooperative to qualify for loans authorized by the 87th Congress for shifts in land use to grazing, forestry and recreation.

The farm families needed to balance their irrigated operations with a live-stock program. The FHA loans under the new Act provided the impetus. The cooperative has bought or leased 15,000 acres of cropland to be converted to pasture and range and stocked, in the beginning with 1,600 head of cattle.

Organizers of the plan predict an average rise in income of \$2,500 a year for each member. That's the beginning. Greater profits will be possible as the land responds to development and range management.

An example of recreation co-ops is the Lake View Recreation Co-op, Inc., in Dillon County, S. C. Its attractions will be a swimming pool, bathhouse, locker rooms, basketball courts, tennis courts, and a picnic area.

This association consists of 160 members who will enjoy and furnish recreation for other farmers and other rural residents. The membership fee is \$25 a person and voting memberships is restricted to local farmers, ranchers, farm tenants, farm laborers, and rural residents.

#### Farm Forestry Cooperative

Back in 1940, the rural people around East Tawas, Michigan, organized a forest products cooperative with help from their forest ranger. They had 20 charter members. The first year they did \$3,000 worth of business. Today the membership is up nearly tenfold and the annual business approaches half a million dollars.

Not long ago the forest ranger, who now works for the Department in Washington, received a letter from the manager of the forest co-op. Here are some of the things the manager wrote.

"In the past 20 years, hundreds of people have benefited by added income from the formation of the co-op. There are so many good examples of these benefits that it will be hard to choose. Money for taxes, school clothes, recreation, gaps in regular income, payments on farm machinery and cars. . . better homes, inside plumbing, new or good equipment, better education for children, respected cash paying citizens have been the result from the larger wood producing families."

#### Apple Packing Cooperative

Up in Martinsburg, Pennsylvania, a new cooperative has brought new business to the community and made the cash registers on Main Street ring more merrily. I speak of the Cove Apple Packers Cooperative. Last year the half-million-dollar packing plant sold a half-million dollars worth of apples--in the United States, Europe, and South America.

A group of apple producers had been seeking a way to pool their resources. Some of them had been peddling their crop from the truck's tailgates. One of them had packaging machinery and storage sheds that had become obsolete. Then one night at an REA meeting they heard about the rural areas development effort. The very next day they began to organize and develop the financial support for a new cooperative.

Financing for the Cove Apple Packers Co-op came from a number of sources -- the growers and their neighbors in the community, a bank in a nearby town, the Pennsylvania Industrial Development Authority, and the Area Redevelopment Administration.

One measure of the interest in the new packing plant and the need for it was the number of applications for jobs---15 applications for each available job.

#### The New Role of Rural Electric Co-ops

Rural electric co-ops in many parts of the country are contributing to rural industrialization.

Electric and telephone borrower cooperatives recently were asked to report the commercial and industrial projects developed in their service areas during the previous 18 months. Returns from one-third of the borrowers disclosed that more than 53,000 jobs have been or will be created in rural areas by commercial and industrial projects these borrowers helped to launch.

In one State alone, North Carolina, electric membership corporations had helped launch or expand 65 new industries and businesses. The enterprises opened up nearly 7,000 jobs -- in processing plants, garment factories, hospitals, clinics, motels, commercial recreation and resort complexes.

Large regional, state-wide and small local cooperatives are establishing RAD staff on their own payrolls. For example, the Southern States Cooperative has made RAD an integral part of its service operation in the southern Appalachians and adjacent areas.

The skill and techniques of vigorous cooperatives will be needed in areas chosen for rural renewal. The program offers a challenging opportunity for existing cooperatives to help struggling rural communities make a come-back.

The rural renewal program is a new approach to improve conditions in areas of entrenched poverty. The Department is authorized to lend money to a legally constituted local body that is unable to obtain funds from private or other public sources. The program will be pioneered and administered by the Farmers Home Administration.

In other areas, Soil and Water Conservation Districts and cooperatives, working together, will find a new opportunity for service to their own communities and to city people nearby in the newly authorized resource conservation and development projects. This program is administered by the Soil Conservation Service.

#### USDA Services Available to Cooperatives

USDA offers many other types of services to rural cooperatives. They extend throughout the Department. Among them are:

Those that contribute to the improvement and stabilization of farm income;

Those that provide credit for electric, telephone, recreation, and rural housing for senior citizens;

Those that provide technical services for the balanced use, development and conservation of soil, water, forests, and other natural resources;

Those that encourage and facilitate the establishment and expansion of economic enterprises, including family farms, industrial and commercial firms, recreational facilities, and farmer cooperatives;

Those that provide leadership, technical services, research, and results of research, and financial resources to stimulate area planning, organization, and action in communities.



We particularly urge you to draw upon the Farmer Cooperative Service for help in basic and applied research. You can turn to FCS for assistance in framing the questions that should be asked -- for finding new approaches to the problems that concern you -- as well as in seeking the answers to them.

#### USDA Emphasis on Cooperatives

A point that I would underscore is this. Back of the Department-wide services to cooperatives is a strong new drive for a close-working relationship between the Department of Agriculture and the cooperatives that serve rural America.

When he came to office, Secretary Freeman faced the fact of rapid change and its attendant stresses and strains in rural America. He recognized, also, the promise that these forces of change could be turned to the benefit rather than the detriment of rural America. From his experience as Governor of the great cooperative State of Minnesota, he also knew of the power of the cooperative movement. Among other actions he took to meet these challenges, he immediately re-established the Department's Cooperative Advisory Committee. The members of the National Advisory Committee on Cooperatives to the U. S. Department of Agriculture are J. K. (Ken) Stern of the American Institute of Cooperation; Kenneth D. Naden of the National Council of Farmer Cooperatives; Roy F. Hendrickson, National Federation of Grain Cooperatives; E. M. (Mike) Norton, National Milk Producers Federation; Clyde T. Ellis, National Rural Electric Cooperative Association; and Jerry Voorhis, Cooperative League of the USA.

#### Cooperatives and the Future Conference

The National Committee met from time to time with Secretary Freeman. At one meeting early in January, the spark of inspiration really began to glow.

At this meeting the Committee was discussing actions to speed up economic growth in rural America and to give family farmers more economic muscle in the marketplace.

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USDA 2611-63

Secretary Freeman outlined informally his ideas of what cooperatives need to do and what the Department should be doing to be helpful.

Responding, one member of the Co-op Committee said, "If you really mean what you have just said it amounts to a new dimension in the relationship between co-operatives and the Department of Agriculture."

The Secretary said, "I am serious."

Then a member of the committee said, "You have given us quite a challenge. The 'new dimension' you have outlined constitutes a pretty big job for six men, shouldn't we expand our group to an exploration of the challenge you have given us?"

"It's not my place," Mr. Freeman said, "as Secretary of Agriculture to call a meeting of private cooperatives, but I would welcome your doing so."

They did, as you know. The Cooperatives and the Future Conference was born. Late in April invitations to take part in the conference went out from these six co-op leaders to other rural cooperative leaders across the nation.

The Committee had expected a maximum of 300 to attend. Five hundred came. They came from 46 States and Puerto Rico . . . leaders of cooperatives concerned with marketing and processing many different commodities and the purchase of supplies for both farm and home, with the provision of services ranging from credit and electricity to research and education.

And the six members of the advisory committee who invited them to the conference put them to work in six workshops. Together, these leaders representing cooperatives with widely diverse interests examined questions of common concern:

- how farmers can develop more bargaining power;
- whether cooperatives can grow through integration;
- how research and education can contribute to farmer and cooperative adjustment;

- the relationship between cooperatives and government;
- how cooperatives can assure a larger leadership role in bringing even greater prosperity to rural America;
- whether U. S. cooperatives can help people of other countries develop cooperatives.

Co-operatives - Democratic Beacon to Developing Nations

Thus the demands on you in the cooperatives -- members, directors, and managers -- in the years ahead reach from the little town "doggedly committed to hope" in rural America to the struggling village halfway round the world.

President Kennedy spoke of this when he received the delegates to the Cooperatives and the Future meeting in the rose garden at the White House. He said:

"I am very hopeful as a result of this meeting in Washington that you will develop programs for the Sixties, which will help improve the lives of our people and see also if we can transfer the experience we have had to other countries, particularly the newly emerging ones."

USDA is a full-fledged partner with your cooperatives in helping the people of other countries to develop cooperatives.

When you have skills in the cooperative approach you are superbly qualified to help in two things that must be done today -- to improve the distribution of farm products that can now be produced in abundance, and to foster community development so that all people may achieve the self-fulfillment which is promised by advancing technology.

The work of the Cooperatives and the Future conference is recorded in a beautiful volume of proceedings. There you will find the challenging addresses of President Kennedy and Secretary Freeman -- of Senators Hubert Humphrey and George Aiken -- and the recorded results of the deliberations of the six working round tables.

To those of us who were privileged to attend the conference, it will be one of the inspirational mileposts of our lives. There's no question that it will be remembered as the starting point of a new dimension in the partnership between cooperatives and the government.

Continuing Work of Cooperative Advisory Committee

Since the conference closed, the National Advisory Committee has been meeting almost once each week.

We are seeking workable ways to implement the recommendations of the conference -- to build the brick and mortar -- put together the nuts and bolts -- to gear into action a new dimension in cooperation that you seek and that Secretary Freeman honors. We have carefully reviewed in detail the State and Federal laws relating to cooperatives. We are carefully examining all the programs of all the agencies in the Department to determine their impact on and implication for the success and growth of cooperatives. We are examining, in discussions with the appropriate administrators, ways in which cooperatives can buttress and supplement department programs, appropriate ways in which Department agencies can work more closely with cooperatives and actively encourage development of sound cooperatives in rural areas.

These are working meetings -- characterized by frank discussion and serious exploration.

Insights gained at the conference on Cooperatives and the Future have made it clear that the customary operating procedures are not good enough -- the old policies, good in their times, are not good enough for the future.

A Statement of Policy

Secretary of Agriculture Freeman has just issued a major new statement of policy -- updating the terms of the traditional close relationship of the Department to cooperatives -- along lines required to meet the challenges presented by



unfolding developments and adjustments in rural America. This is another positive forward step -- to define, specify and bring into being "a new dimension in cooperation".

It states specifically and directly the policy we shall follow. Here is what it says:

"The Department of Agriculture, by the Act which created it in 1862, is directed to acquire and diffuse useful information on matters pertaining to agriculture, in the most general and comprehensive sense of that term. By numerous subsequent acts, the Department is also specifically directed to carry on research, educational and service work respecting agricultural cooperatives, and to cooperate with local and State agencies to that end, provide credit to rural electric and telephone cooperatives, utilize the cooperative pattern in carrying out a number of its action programs, and accord 'recognition and encouragement' to agricultural cooperatives.

"It is the policy of the USDA to carry out these legislative mandates effectively, in terms of today's conditions and needs, and in the light of the economic problems confronting American agriculture today.

"The trend toward greater concentration of economic power in the non-agricultural segments of our economy -- and, particularly, in recent years in those segments that sell an increasing number of necessities to farmers as well as those that buy from the farmer and process and market his products -- makes it more essential than ever that the farmer's bargaining power be strengthened."

"The factors that, in decades past, resulted in repeated action by the Congress and the State legislatures to encourage farmers to strengthen their position through cooperatives, become more impelling and urgent as the concentration of nonfarm economic power increases.

"Cooperatives help farmers to improve their bargaining position. As farmers cooperate with each other to gain mutual advantage and protection through self-help, they strengthen the American family farm system, and enhance the benefits that it provides to the general public.

"The USDA will, therefore, accept fully its responsibility to encourage the growth of cooperatives and through its various agencies provide research, educational and advisory services that will help to strengthen cooperatives in all appropriate activities in the interest of their members and the general welfare. To that end each of the agencies of the Department will give proper recognition to the basic nature of cooperative enterprise, and will exercise its functions and perform its activities in full accord with the concepts and responsibilities stated above.

"The head of each agency in the USDA is expected to insure that full support to the policy herein stated is given through his agency. The Assistant Secretary for Rural Development and Conservation shall serve as liaison to insure coordination within the Department and shall be responsible for working with the Cooperative Advisory Committee."

#### What's Ahead

The exciting developments of the past few months -- leading up to Secretary Freeman's statement -- are only the prelude to what is to come.

No one in this room can clearly define all the details of the new dimensions in cooperation. Certainly we in the Department of Agriculture cannot. We can only tell you, as we have, the course we have set and the goals we seek. We can only assure you of our fullest support to cooperatives in seeking these goals.

With this support assured, the setting of the new dimensions of cooperation is in your hands. Rural America is going to change -- the result of the changes ahead can be a rural renaissance -- bringing a fuller life and permanent prosperity

to rural America. How soon and how much of the fruits will be received by rural people will largely be determined by cooperative leaders. New industries and businesses will be built; to what extent these are cooperative enterprises will largely be determined by cooperative leaders.

Many of the problems of the family farm and new rural income can be solved best by cooperatives. There must be profit enterprises also -- and the Department will continue to assist their development in rural areas -- but these alone are not enough. America needs more, better, stronger rural cooperatives.

We need, therefore, your most determined, imaginative, creative effort. We assure you our wholehearted support. On this base, beginning today, we can together set new dimensions of cooperation which will build a rural America with strong family farms, with nonfarm economic vitality, and with benefits to all America.

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USDA 2611-63







These accomplishments make the American farmer the envy of every Nation in the world. That is, in every Nation but his own. Here, instead of being rewarded for his accomplishments, he is, in effect, penalized. While other Nations suffer for lack of food supplies, our farmers suffer as a result of abundant production. While the rest of our Nation moves up the economic ladder, the farmer is forced down.

This is not the only problem. In many areas of rural America there are depressed conditions, underemployment, unemployment, and inadequate community facilities. Young people are leaving the farms and small towns for lack of job opportunities only to burden the already overtaxed employment opportunities of our crowded cities.

In addition to wasting these human resources in rural areas, we are wasting and misusing our natural resources. Flooding each year causes irreparable damage and washes away millions of tons of good soil that clogs streams and reservoirs. At the same time, thousands of acres suffer from water deficiency. Additional thousands of acres are damaged by wind erosion or are overrun by useless vegetation. Much land is left idle, and idle acres do not represent good land use where the farmer's income is not sufficient to meet his needs.

In seeking ways of revitalizing rural America, the Department of Agriculture has initiated a program of Rural Areas Development -- a blend of all resources and programs -- local, State and National -- to be used by local leadership in creating new economic opportunities in rural America. The eight specific objectives established for the RAD program are as follows:

1. To increase the income of people living in rural America and to eliminate the cause of underemployment.
2. To improve the family farm system of American agriculture.

3. To expand job opportunities through loans, grants, technical services, and training programs that create new factories, stores, recreational enterprises, crafts, and services of all kinds.

4. To promote outdoor recreation opportunities on privately owned and public lands -- recreation that provides a new source of income for the farmer and rural businessmen and at the same time serves the needs of our growing urban population.

5. To readjust land use, nationwide, to meet national needs and to bring the use of each acre in line with its capabilities.

6. To provide appropriate services and adequate financial support for the protection and development of our soil, water, forest, fish and wildlife and open spaces.

7. To improve existing rural community facilities and institutions, and where needed to build new ones so that people in our rural areas are assured pure water supplies, first rate schools and hospitals, and other services that are standard in a modern community.

8. To make continuous and systematic efforts to eliminate the many complex causes of rural poverty.

I have good reasons for listing these objectives. It is only you who can put them into action...only you who can convert them to realities. The Department can assist technically and financially but the initiative and leadership must come from the local people. In initiating the Department's program of Rural Areas Development, Secretary Freeman said, "The Federal government can provide incentives and technical services, but government cannot and should not do the conservation and development job for local people on privately owned land. The challenge in the use of the new tools is to the leadership of the people in rural America."

Let me hasten to add that I don't doubt your leadership ability. You have proven it -- and provided it -- for more than two decades in the soil conservation district movement here in Iowa. The point I want to make is this -- you now have the opportunity to accelerate your going district programs and greatly broaden your activities by using the new tools at your disposal.

The success of any local Rural Areas Development program depends a great deal on the active participation of the local soil conservation district. Everything the district does in the support of proper land use and management, watershed project work, and recreation development on private land, is, in effect, rural areas development.

Rural Areas Development is a vast undertaking, and one that calls for the talents and knowledge often unique to local soil conservation districts.

Let me ask you this. How many organizations have your knowledge of the area's natural resources and their conservation needs? How many know the capabilities of the local soils and for what use they are best suited? What other groups in your community know the local problems and have the organization and leadership to cope with them?

The answer is obvious. This is why the district organization has a key role in making Rural Areas Development a success.

Over the years the Department has helped you with technical assistance in conservation farm planning through the Soil Conservation Service, cost sharing through the Agricultural Conservation Program, credit and loans through the Farmers Home Administration, and in many other ways.

These services are being continued. Many have been broadened to meet the growing needs of rural America.



Many of the new programs authorized by Congress through the Food and Agriculture Act of 1962 are directly tied to the district program. Let me briefly mention four of these -- the Cropland Conversion Program, Resource Conservation and Development projects, the new amendments to the Small Watershed Program, and technical assistance in establishing income producing recreation enterprises on private rural land.

First, the Cropland Conversion Program -- now underway with pilot projects in 237 counties -- offers farmers transitional payments for converting surplus producing cropland to pasture, trees, and land for recreational uses. This program is under the leadership of the Agricultural Stabilization and Conservation Service. The land conversion will be based on a detailed farm conservation plan developed in cooperation with a soil conservation district and with the assistance of an SCS technician.

Farmers in six Iowa counties will take part in this pilot project this year, primarily in converting land to recreational uses.

Second, the Act of 1962 provides authority to initiate Resource Conservation and Development projects that will enable farmers, city people, rural communities, civic groups and others to work together to improve land use patterns and develop the natural resources of rural areas. The first such project announced by Secretary Freeman will be in a four-county area of Southern Indiana involving more than one million acres. The project is sponsored by the soil conservation districts of the four counties and the Lincoln Hills Rural Areas Development committee. Land conversion and development of woodland, water, and recreational resources and improved marketing and utilization of agricultural crops will be major aims of the project.

Third, the Small Watershed Program was amended to include cost sharing on public recreational developments and allow for the development of industrial and municipal water facilities for future use.

More than 40 proposals have been received from local organizations to add recreation in watershed projects, and the rate of applications continues to grow. Response to this new amendment here in Iowa has been gratifying. One proposal for recreational development has been received in Washington from the Badger Creek Watershed project sponsors and several others are expected.

In the Badger Creek project, located in Dallas, Madison, and Warren Counties, the Iowa State Game Conservation Commission has joined the soil conservation districts of the three counties and the Madison County Board of Supervisors to sponsor the recreation development for boating, fishing, swimming, camping, hiking, and picnicking. One of the flood detention reservoirs will be enlarged to create a 276-acre lake. An adjoining 400 acres of land will be developed as a park. Due to the watershed's proximity to the urban area of Des Moines, the Bureau of Outdoor Recreation estimates that 100,000 visitors will use the recreational facilities each year.

Assistance in recreational development is also available in establishing private enterprises, which brings me to my fourth point. That is farmers and ranchers in soil conservation districts may now receive technical help from the SCS and loans from FHA in developing income producing recreational facilities. Recreation acres as part of the complete farm plan can mean more effective use of the land, additional income for rural landowners and expanded recreational opportunities for both urban and rural people.

There is evidence everywhere that rural people want broader opportunities and will move swiftly ahead when offered them. The interest shown in recreation as a cash crop certainly bears this out. During the past year activity in this phase of the Rural Areas Development program has been extremely gratifying. Nationally almost 40,000 soil conservation district cooperators discussed the possibility of developing recreational facilities on their land with district board members and SCS field personnel.

More than 9,800 have already established one or more income producing recreational enterprises on their land. For 10 percent of these land owners and operators, recreation has become their primary source of income.

In Iowa, 654 district cooperators have indicated an interest in recreation for profit and 104 plan to establish recreational enterprises in the near future.

Fifty-three have already established one or more recreational enterprises on their farms. For 20 percent of these, recreation is now the primary source of income.

The recreational enterprises include vacation farms, fishing and swimming waters, picnic and camping grounds, hunting preserves, and the like. This is a relatively new use for private rural land, and a new business for farmers and ranchers. Throughout most of the Nation, outdoor recreational facilities are inadequate. More leisure time, higher incomes, and the ability to travel with ease have accelerated the desire of millions to seek the out-of-doors...to fish, hunt, swim, boat, camp, golf, hike, picnic, or just relax.

Public lands cannot alone meet the demand, nor will they be able to. Recreational visits to the National Forests alone have increased 240 percent in the past 10 years. The Forest Service and other agencies are continually expanding recreational facilities, but like State agencies and the National Park Service, they know they will never come near satisfying the tremendous demand.

Therefore it is only logical that we turn to the private rural land where 75 percent of the upland game hunting and a great deal of the fishing are already carried on. In addition to the technical help in planning the recreational enterprises, the Department may now make loans to individuals and associations for developing such recreational enterprises.

These, then, are some of the newer parts in the program of Rural Areas Development that directly concern and need the support of the local soil conservation districts to make them fully effective.

As I stated before, the opportunities to broaden your contribution to conservation and wise land use are at your doorstep. I know many of you have already opened the door and are now taking full advantage of them.

It was 1 1/2 years ago that Secretary Freeman at the 16th annual convention of the National Association of Soil and Water Conservation Districts at Philadelphia invited soil conservation districts to up-date their memorandums of understanding to better meet the needs of these modern times. It pleased me to hear that fully one-third of Iowa's 100 soil conservation districts have already revised their district programs and signed the new memorandum. Nationally this puts Iowa among the top six States in this effort.

I now urge the rest of you to take a long, hard look at your district programs to determine if they meet the needs of today's resource conservation and development problems. Some district programs, I fear, haven't been revised for 15 or 20 years. I don't have to remind this group that things have certainly changed since then.

A revised district program recognizing the immediate and long-term needs of the community can form the basic foundation for the local Rural Areas Development effort and thus make a valuable contribution to the future economy of the area.



There is much work to be done and many areas in which to do it. In working with local RAD committees and Technical Action Panels, the district organizations will not only be offering a needed service, but will also greatly strengthen their own position in the community. Most of you are members and directors of marketing and supply cooperatives, and rural electric and telephone, and other service-type cooperatives. Through your successful work in these cooperatives and conservation districts, you have demonstrated the strength and wisdom of grass roots democracy.

Even in this highly developed and wealthy agricultural State of Iowa we find in the rural areas, sectors of economic unrest, outmigration, and poverty. Right now in Southern Iowa the Iowa Extension Service and State University, the Area Redevelopment Administration, the Farmers Home Administration, which has leadership for the Department's Rural Renewal Program, our Office of Rural Areas Development, Soil Conservation Districts and the democratically-elected farmers committees are all hard at work in seeking ways to help local people help themselves in stabilizing, improving, and strengthening the area.

The eight RAD objectives I mentioned previously can be boiled down to two fundamental principles. First, we must move economic opportunity into rural areas instead of forcing people out of the country by planned depression; and second, we must use land, not idle it.

Mechanization on the farm has greatly reduced the manpower needs. Family farms are bigger and fewer in number. More and more rural people must seek part time and full time employment off the farm. These job opportunities are not adequate today and therefore outmigration is accelerated. To stem this tide, we must attract industry to rural areas so that the people who wish to remain in the country may do so.

As you can see Rural Areas Development is a bold undertaking. Its success will be measured by the desire of rural people to move ahead economically. Its success will depend on the leadership the rural people are offered. In this role the soil conservation districts have much to contribute.

Let me again commend you for the work you are doing. You have come a long way during the past quarter century in resource conservation. Your record in Iowa is one to be proud of. You have been faced with challenges and you have met them successfully. Even greater challenges lie ahead. Let's get on with the job!

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U. S. Department of Agriculture  
Office of the Secretary

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Thank you very much for being here. We're here to discuss jobs, farm income, and business profits -- and how to increase them -- particularly in this great North country of energetic people and abundant natural resources.

Many distinguished guests are here. Governor Rolvaag; Governor Reynolds; Governor Romney's representative, Mr. Conboy; Members of the U. S. Congress; Members of the State Legislatures; Mayor Johnson; distinguished panel members, and later today, the President of the United States and members of his Cabinet will join us. Secretary of Agriculture Orville L. Freeman is with the President and will assume the permanent chairmanship of this Conference when he arrives.

But the most important people here are the private citizens, the county leaders, the local decision-makers of this three-State region.

It was in response to the needs of your area for more jobs, more income, more profits and new economic opportunity that Secretary Freeman appointed the task force on the Northern Lake States region to gather the facts that would help you to plan meaningful action.

It is to chart meaningful actions to respond to the needs of your area that Secretary Freeman set up this Conference. The Federal Government cannot and should not blueprint your development action program. But we are eager to make available facilitating services and financial resources to help you do what you want to do and are able to do in the national interest.

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Keynote address by Assistant Secretary of Agriculture John A. Baker before the Northern Great Lakes Regional Land and People Conference, Duluth, Minnesota, Tuesday, September 24, 1963, at 9:00 a.m. (CST).

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This is your Conference; and when it closes tomorrow, initiative for further action largely will be up to you... the people who live in the 81-county Lake States area... to mount the action required to propel our joint forces toward creating new economic opportunity that will supply new jobs and more income and business activity in this 3-State Lake area.

The Government task force report we are considering here does not contain recommendations of actions you should take to create new jobs and improve the economy of your region. This was left, as it should be, to citizen control, to determination of the people involved so broadly represented among you who are here at this Land and People Conference. This is the democratic way.

This Conference is only one small, though important, step in your total effort toward more rapid economic growth. Here we take stock of our resources and the results of past efforts to better push forward in what we need to do. Constant day-after-day, week-after-week, month-after-month, sustained effort is required to build new enterprise, to provide new jobs, to build a new and more prosperous economy, based upon full multiple utilization of the abundant attractive resources of your region.

May I say at the outset that the people in these Northern Lake States counties are not alone in these problems -- you are not alone in your aspirations -- and you are not alone in your stepped-up efforts toward more rapid area economic development.

Your efforts here are part of an emerging rural renaissance that is not only nationwide in our United States, but also is underway in Canada and in Germany and other nations of western Europe. New national attention to the development of prosperity in rural areas is widespread throughout the highly industrialized, highly urbanized democratic nations of the world.

Indeed rural areas development efforts here and elsewhere in the free world are the signs of advancing civilization. Your efforts are part of a new era in history when the traditional rural values of our democratic society will acquire added dignity in the emerging circumstances of a period of rapid change.

#### Democracy At Work

Throughout the United States, rural people are using the democratic process and the spirit of private enterprise to adjust to rapid changes brought about by rapidly advancing research and technological innovation. Rural America is shifting to 20th Century standards of action that demand a broader economic base and a realization of the need to reach out for new customers and a knowledge of the interdependence of multiple uses of land and water resources. Rural Americans are taking steps to develop community facilities to better meet their needs. These have ranged, in different rural areas, from marketing cooperatives to utilization of new programs of agricultural credit, from rural electrification to modern homes, schools and churches, recreational developments, highways, new water and sewer facilities, and other improved community services. In all of these efforts, success means more new jobs and less unemployment, new industry, more business profits, higher farm income, and bigger payrolls. The stepping up of the velocity of the chain reaction of resources development means more jobs, greater purchasing power and Main Street cash registers that ring more often and more merrily.

The examples of success of local rural areas development efforts are multiplying in every State of the Union. Always the major ingredient of success is local private initiative, determination, decision and drive.

It is true, of course, that in nearly every instance of successful economic growth, financial and technical resources from outside the area also have been necessary. They will continue to be. And I know it is encouraging to you that Congress has provided new additional tools to accelerate the growing rural areas development movement.

What you achieve here -- and at the State and district meetings, and the day-after-day efforts that will follow -- will influence people and resources programs far beyond the 81 counties of the Lake States region. People with resources and economic problems similar to those found here will be following your progress with great interest -- throughout rural America -- and in other nations of the free world.

#### President Kennedy

The fact that President John F. Kennedy has accepted an invitation to come to Duluth to talk to us focuses even greater public attention on what you do here.

It also reaffirms the President's interest in your Conference and in the conservation and development of the Nation's resources for the good of all people and as the basis for more jobs, more farm income, more profit for workers, farm families and small businesses in rural areas.



President Kennedy will arrive here from Milford, Pennsylvania, where he will have dedicated the Pinchot Institute for Conservation Studies. This newly established Institute is located on the former estate of the late Gifford Pinchot, America's first professionally trained forester, an honored father of REA, and the first Chief of the Department of Agriculture's Forest Service.

The Institute will be jointly operated by the Forest Service and the Gifford Pinchot Conservation Foundation. It will be devoted to training conservation leaders among America's educators and to testing and developing new methods and materials for teaching conservation of natural resources.

It is particularly fitting that the President should come directly from Pinchot's home to the Northern Great Lakes Region, one of the Nation's richest storehouses of natural resources. President Kennedy's presence here is destined to focus not only local but national attention on your region and the opportunities it holds for Americans everywhere.

I would, at this point, like to express my appreciation to everyone here, who on short notice changed their plans in order that we might reschedule this Conference to hear personally from the President. I also would like to thank the many public-spirited citizens and local, State and Federal officials who have served diligently on committees for several months to prepare the Conference. You may know many of them. To you, Governor Rolvaag, and to our hosts, the people of Minnesota who have spared no effort to make us welcome, we all say "thank you;" and to all Conference committee members from Michigan, Wisconsin, Minnesota and the Nation's Capital we say "thank you" and commend you for a job well done. You have set up the Conference and provided us with guidelines; the rest is up to those of us in this hall to do; and do we will.

## The Rural Dilemma

It is paradoxical that in this land of trees and water, where resources and opportunity abound, that more than nine percent of the work force is unemployed. Four-fifths of the northern reaches of Minnesota, Michigan, and Wisconsin are forested. You have some 30,000 lakes and trout streams, and within 500 miles of your borders are some 50 million people who want and need the outdoor opportunities that you have to offer. Timber cuttings in your forests could be doubled, and agriculture adjusted to bringing new income to the area.

You are faced with a shortage of jobs. Your young people are leaving your farms and small towns to seek work in growing metropolitan areas. Too often they find automation arrived ahead of them, that technological advances are creating the same surplus of people in our cities that mechanization of farming has brought to our rural areas.

The wasting of human resources is compounded by a wastage and misdirected use of natural resources. Much land is left idle, and idle acres do not represent good land use when so many needs of our people, including the need for more income, are unmet. Nor is it wise to use natural resources beyond their capability when another, more suitable use might return greater profits and also conserve and improve our soil and water resources.

A similar situation exists in varying degree throughout rural America and through Canada and the nations of western Europe. Rural people have not shared in the national abundance which they helped make possible.

We realize these are continuing problems with you. But we also know that you already have underway a great deal of organized effort and activities to cure these problems and to turn them into opportunities.

You are already moving forward in this Northern Lake States Region.

Seventy-six of the 81 counties have organized local RAD committees and they are planning or carrying out 153 projects that could create more than 2,200 new jobs. A total of 2,460 local people are members of these RAD committees, and I am sure a large number of them are here today.

The people of these 81 counties -- the people of all of rural America -- are not the type to take adversity lying down. The same indomitable spirit and social consciousness that made the United States the greatest industrial and agricultural nation in the world, that fathered our conservation movement and brought on this age of potential abundance, are now being centered on the problems of rapid rural change.

#### RAD

Your efforts here are one with a great nationwide movement underway -- a movement conceived and directed by local people -- to restore parity of opportunity and broaden economic return in rural America.

If we could truly articulate the aspirations of rural America for resource development and more rapid economic growth we would probably say something in more meaningful terms that would encompass the following aims of rural areas development efforts:

1. To expand job opportunities through loans, grants, technical services, and training programs that create new factories, stores, recreational enterprises, crafts, and services of all kinds.
2. To improve the family farm system of American agriculture.
3. To encourage more rapid development of recreation facilities on rural land to provide farmers and rural businessmen with a new source of income, and at the same time serve the needs of our growing urban population.

4. To bring rural income up to a level equal with incomes nationally.

5. To encourage adjustments of land use into patterns which will utilize each acre and each resource as the nation most needs them.

6. To provide the technical and financial assistance necessary to conserve soil, water, forest, fish and wildlife and open spaces around our metropolitan centers.

7. To help rural people improve existing community facilities, or where needed, build new ones so that they have the public services which people expect a modern community to provide, and

8. To eliminate all causes of rural poverty.

I'm sure that some such statement reflects the aspirations of the people at this Conference and of the people of this great region as well as throughout rural America.

If you have a dollar and I have a dollar and we trade -- we both end up with only one dollar. But if you have one idea and I have one idea and we exchange -- we both end up with two ideas.

This Land and People Conference in the midstream of your ongoing area development efforts affords the opportunity for the multiplication of ideas and inspiration for successful action.

The planning and initiation of successful area development, the sustained effort required to implement your aspirations, the constant painstaking work of discovering and making the most of your resources and potential market demand depends to a very large extent upon the organized activities of local citizens and local and State government.

We in the U. S. Department of Agriculture, and throughout the Executive Branch of the Federal Government, stand ready to make available to you in useful, convenient and effective ways the technical services and financial resources that Congress has provided in response to your expressed needs.



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RURAL AREAS DEVELOPMENT IN THE UNITED STATES--ITS COORDINATION AND DIRECTION  
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It is indeed a pleasure to be here, to learn what you in Western Europe are doing to extend the benefits of our new-found age of abundance to rural areas.

This meeting was a long time in coming. From time to time, the various Nations represented here have exchanged ideas on specific problem areas, such as our mountain regions. But this is the first time we have met jointly to discuss the full scope of our common problem--the paradox of rural decline in the face of increasing agricultural efficiency and growing national prosperity.

Over the years, some of the most significant actions of history developed from the exchange of ideas across national boundaries. When we trade ideas we both gain the joint total. This opens new and exciting avenues of thought.

Among the documents of this Seminar is a background paper I have submitted on Rural Areas Development efforts in the United States. I shall not duplicate in this brief talk the matter covered in the background paper. Rather I shall here supplement the background paper to expand somewhat on some of the newer RAD tools included in most recently adopted legislation.

Increased Productivity Means Fewer Farm Jobs

Scientific and technological advances have brought tremendous increases in agricultural productivity throughout Western Europe, North America and parts of the Far East. In the United States, production per man-hour in agriculture has increased 77 percent in the last decade. One farm worker now supplies 29 people, while he fed and helped clothe only 10 people in 1940.

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Talk by John A. Baker, Assistant Secretary, United States Department of Agriculture, at the European-North American Seminar on Regional Rural Development Programs, Organization for Economic Cooperation and Development (OECD), Paris, France, October 14-18, 1963.

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This increased efficiency has drastically reduced the need for farm labor. Since 1950, more than three million agricultural jobs have been eliminated by mechanization and advanced technology. Young people in rural communities have been forced to go to our cities in search of work.

This loss of income and people has had a numbing effect on the farm-centered economy of rural towns and small cities. They have stood still while urban areas have forged ahead to a new level of abundance.

As a result, the economic gap between our rural and urban societies has reached alarming proportions. This disparity manifests itself in all phases of life--income levels--in job opportunities--in water, sewer and other community services--in educational opportunities--in transportation and medical facilities.

#### RAD Begun

To stop this downward trend, and to enable rural areas of the United States to share in the national prosperity to which they have contributed so much, a great, nationwide Rural Areas Development was begun. We call it RAD, for short.

More than two-thirds of the Nation's 3,072 counties now have active RAD Committees. These RAD Committees are composed of more than 66,000 local people. They are the ones who direct the RAD program. We in the Federal government supply technical advice, and in some cases, financial help. But it is the local citizens who decide what is to be done--what individual projects will be carried out, and what timetable will be followed. I know of one Committee of volunteer members that has been meeting an average of 50 hours a week for several years, trying to push through its program of economic development.

The greatest difference between our RAD program and your redevelopment efforts here in Europe appear to lie in this area. RAD is largely in the hands of local, private citizens, while here in Europe you have a greater degree of centralization.

Both approaches, of course, have their strong points and their weaknesses.

If local people who will be involved in a project put their time and money into it, you can be assured they will work harder to make it a success. But we do not have the element of direct action which permits you to pump new life into lagging area programs. For example, I am told that the French government picked up an entire automobile factory in Paris and moved it to a low-income rural area to create new economic opportunity. This the United States government would not do.

In response to the aspirations and needs of rural people and their private organizations and local governments, the Federal Congress and Federal executive branch have greatly strengthened the RAD program.

The background statement has given you a detailed list of Federal programs that are utilized in RAD. I like to think of these programs as a cafeteria line. Local RAD Committees can move down this line, selecting Federal activities that can help them in carrying out their RAD program. Allow me now to give you the recipe content of some of the newer additions to this cafeteria menu list.

When Congress passed the Food and Agriculture Act of 1962, it enabled Secretary of Agriculture Orville L. Freeman to broaden and revitalize the entire system of Department services to the nationwide RAD effort.

Five new Federally-provided development tools were added to the RAD work kit.

### Rural Renewal

One of the most promising new tools is the rural renewal project.

In some respects, rural renewal projects will be similar to the urban renewal projects that are clearing the slums and rebuilding the downtown core of many American cities. Tax bases are being expanded while slums are being eliminated.

Local people who want rural renewal projects form a legal subdivision of the State government to cooperate with us in these projects. I am happy to report that my home State of Arkansas was the first to pass specific enabling legislation for the use of local people who want to organize Rural Renewal Authorities.

In addition to the regular Federal assistance available to any RAD area, local Rural Renewal Authorities will be eligible for special assistance.

The Department will assign a full-time project leader to the rural renewal area, to help local people develop activities that revitalize the area. Local Rural Renewal Authorities also will be eligible for special loans, to carry out land use adjustments and other improvements that cannot be financed through existing Federal loan programs. These loans will be at the cost of money to the Federal government, currently somewhat less than three percent, with the start of repayment deferred for five years.

Project leaders already have been designated to serve in six areas where local people have requested rural renewal projects.

Perhaps I could best describe the scope of these projects by telling you some of the things local people hope to do under this approach. In one State, local people plan to purchase idle farm land for subdivision and re-sale as

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USDA 3048-63



vacation sites, to develop a public recreation area in cooperation with a sportsman's club, to develop municipal water supplies for two small towns, to purchase land for small retirement farms, to develop commercial and industrial facilities for processing limestone deposits in the area, and to carry out a timber stand improvement program.

Proposals in other States include these features, plus the establishment of senior citizens housing, the building of roads for improved transportation, and the purchase of small tracts of land to be re-sold as efficient-sized family farming units.

Some of these projects will be financed through existing programs. Some which are planned with rural renewal funds may not be feasible, or they may be ineligible under the 1962 Act. Attorneys are still studying the legislation to determine the exact manner in which this new loan program can be most useful.

#### C-And-D Projects

The 1962 law also authorized the inauguration of a program of Resource Conservation and Development projects.

These projects will enable farmers, city people, rural communities and private organizations to work together in formally-organized cooperating groups to improve land use patterns and to develop the natural resources of rural areas.

Local people in 14 States already have filed applications for help under the Resource Conservation and Development, or C-and-D approach, when funds become available. Secretary Freeman announced approval of the first application covering a four-county area in southern Indiana--while touring that section of the country last May.

This proposed pilot project will speed the development of industry, land,

water, and mineral resources, recreation, and tourism in the four counties, which cover more than one million acres of land.

Five million people live within a 200 mile radius of the project area. We expect sportsmen's organizations, church groups, and community associations to work with local sponsors to build recreational facilities of many different kinds.

While the area is rich in scenic beauty, it also suffers from a chronic shortage of water for domestic, industrial and recreational use. At the same time floods coming off the steep slopes damage farmland, destroy roads and flood local communities.

To develop the area's water resources, local sponsors have called for 13 multi-purpose small watershed projects. Watershed projects, which are carried out by local people with financial and technical help from the Department of Agriculture, are designed to stop floods and impound water for recreation, municipal farm and industrial use. Fifteen towns in the four-county area say they need water for municipal use, eight want water for industry, 22 for recreational purposes, and 14 have flooding problems.

The proposed C-and-D project also takes into account the need for improved transportation and communications, community improvement planning and development, and modernization of educational facilities. Industries will be sought that can make use of deposits of sand, stone, gypsum and other minerals.

### Recreation

The 1962 Act also provides for rural recreation loans, a cropland conversion program, and expansion of the small watershed program to provide cost-sharing for recreational development and to permit storage capacity for future municipal or industrial use.

Outdoor recreation has become a \$20 billion a year business in the United States. Our parks and National Forests are jammed with hordes of pleasure-seekers. Each summer weekend countless thousands are turned away from overcrowded campgrounds and picnic sites. A Presidential study committee predicts this is only the beginning, that by the year 2000, the present demand for outdoor recreation will have tripled.

State and Federal governments are expanding their facilities as rapidly as funds permit. But we will never meet this growing demand on public land alone. Rather, it must be met in large measure on the privately-owned farms, ranches and woodlands that make up 75 percent of the country's land area.

In providing urban residents with outdoor recreation areas that they want and need, we also help the farmer tap a new source of income. Make no mistake about it, recreation is a lucrative field. Studies show that 24 tourists a day can bring as much money to a community as an industrial plant with a \$100,000 a year payroll.

Within weeks after the Department announced its recreation loan program, we received more than 5,000 queries. The first loans were closed early this year. By the end of June, the Department had loaned \$1,862,000 to 66 individual and 17 associations to develop on-farm accommodations for vacationers, picnic and camping facilities, lakes for boating, fishing, and swimming, shooting preserves, and other facilities for outdoor fun.

The Department also provides technical advice to farmers in selecting the best location for the recreation area, the type of facilities needed, layout possibilities and construction guides.

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USDA 3048-63

### Cropland Conversion

The cropland conversion program includes a combination of loans, grants and technical advice to enable farmers to switch excess cropland to recreation, wildlife habitat, grazing, forests, or water storage.

The cropland conversion program now is being operated on a pilot basis in 138 counties--97 of which are designated for recreation development.

Farmers are given 5 to 10 years contracts, with a transitional adjustment payment during the conversion from growing crops to installing the other use.

### Watershed Program

The 1962 Act also provided for an expansion of the small watershed program.

In the eight years that this popular program has been in existence, local organizations have submitted applications for assistance on almost 2,000 watersheds covering more than 141 million acres.

The Food and Agriculture Act of 1962 permits local sponsors to enlarge dams to provide extra water for recreation with the Department sharing this cost on a 50-50 basis. Local sponsors also can buy land around the reservoir for recreational use and again the Department can help pay this cost. In addition, the Act permits extra water storage capacity for future municipal or industrial use.

To date, recreation areas have been tentatively approved for 39 watershed projects in 22 States. Several sponsors are investigating the future storage capacity provision.



### Industrial Loans

Other recent legislation provided other needed RAD tools and resources.

The Area Redevelopment Act provides low-cost loans and grants which can help local people establish new industries and build new public facilities.

These loans and grants can, and have, touched off complete rural areas development projects.

Johnson County, Tennessee is a case in point.

In the 1950's, Johnson County was losing people, its economy was marking time while the national economy moved forward. Its farmers were having a hard time making a living off the hilly terrain. Income was low, jobs were hard to get, and business was slack.

Then, the people decided to take action. They organized a RAD effort, forming a county industrial commission. They obtained the first combination loan and grant issued by ARA, for a total of \$106,300, to help build an industrial park and provide it with sewer and water facilities. Local people raised the other \$400,000 with a bond issue.

Today, a garment factory employing 204 people is located in the 30-acre industrial park. The factory adds one-half million dollars a year to the area's annual payroll. It has plans for expansion. Two other plants--a hosiery mill and a cotton work glove factory--have located in Johnson County, providing 135 new jobs and adding in excess of another \$500,000 a year to the area income.

These new plants have helped create an economic upswing in Mountain City, Johnson County's major town. New homes are replacing old ones, new recreation facilities are being developed with Federal and local funds, bank deposits are up, and the migration of young people from Johnson County has been slowed. Some who left are returning.

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USDA 3048-63

Nationally, through this small ARA program alone, an estimated 92,000 direct and indirect jobs have been generated with a total Federal investment of \$164.7 million. Of this amount, nearly \$100 million has been invested in 196 rural projects, creating more than 26,400 jobs.

The Department can help local people obtain new industry through Section 5 loans to rural electric cooperatives. The funds are used locally to provide electrical equipment or service in plants served by rural electric cooperatives. The Small Business Administration also provides financial assistance to RAD projects.

Many rural Americans are not equipped to hold down jobs in the new factories. But available to them, to overcome this roadblock, is the opportunity to obtain new skills. The Federal government has expanded its manpower development, retraining and vocational education efforts.

Through these expanded training programs, unemployed people are able to acquire the skills they need to fill these jobs. While learning, trainees may receive subsistence or training allotments.

Eight million new jobs are required in the rural United States within the next decade to provide work for those now unemployed or who have inadequate incomes, and to provide places for the young people who will be joining the work force.

While the number of adequate family farms is increasing--and we are officially encouraging this trend--the total number of farm-jobs will continue to decline.

Therefore, programs to promote rural industrialization and outdoor recreation to provide more non-farm jobs and economic opportunities are the greatest hope of realizing this rural job goal.

We also are helping local people generate new jobs and new economic opportunity in their area through the Accelerated Public Works program and rural housing loans.

As of last June 1, the Department had spent \$34.5 million in Accelerated Public Works funds to improve our National Forests and to speed work on a number of watershed projects. Other Federal Departments had spent four times this amount. A total of \$139.2 million had been invested in public works projects in rural areas, creating an estimated 216,000 man-months of employment for residents of economically depressed areas. In addition, this work has improved natural resources, provided new public facilities and new recreation areas, and helped stop damaging floods. All of this will generate new economic activity, bringing further benefits to depressed communities.

Our expanded rural housing program forged ahead during fiscal year 1963, the Department making nearly 20,000 loans for more than \$186 million. The head of our rural housing division estimated that the \$606.5 million that had been invested in this program by the end of fiscal '63 had resulted in more than 166,000 man-years of employment. And because of the multiplier effect, this investment had an estimated total economic impact of about \$3.6 billion.

Housing financed by the Department required 800 million board feet of lumber; provided a market for \$107 million of plumbing, heating, electrical materials and equipment; \$160 million of other construction items such as concrete, masonry, millwork, plaster and paint, and at least \$37 million of home furnishings.

Important as Federal funds are to the RAD program, they are by no means the major financial factor involved. A North Carolina study of 65 commercial

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USDA 3048-63

and industrial projects started in the State during a given period shows that for every \$1 invested by a Federal agency, private sources put up an estimated \$58.

We still have a long way to go in the RAD program. It is a new undertaking, and the task of helping local people get their community moving again is a difficult one.

We have much to learn. I am confident some of that knowledge will come from our session here.

If the Nations who have conquered scarcity work together, surely we can meet and vanquish the problems that science and technology also created when they provided an abundance of food and fiber never known before in the world.

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RESOURCES AND THE REBIRTH OF RURAL AMERICA  
(Rural Areas Development in Action)

OV 1 1963

I read your Platform For American Conservation with extreme interest.

I believe it to be a comprehensive approach to many of our resource problems. I commend the American Forestry Association for leadership in designing that platform and for calling this Fifth American Forest Congress to consider it.

The American people are truly indebted to your Association--this country's oldest citizens organization devoted to conservation. You pioneered many basic resource conservation concepts, including the establishment of our National Forests System, the preservation of primitive and wilderness areas, enactment of effective mining and timber legislation, sustained yield practices, cooperative forestry programs and multiple use principles. Noteworthy in recent years has been a broadening of your influence to embrace the whole spectrum of natural resources effort--land use adjustment, soil and water conservation, watershed protection and management, wildlife and outdoor recreation.

American Forests magazine has become a forthright, fearless, yet fair voice on issues and programs concerning forestry and related resource development and wise use. It enjoys a high place among the best of communications media dedicated to informing readers on the significance of the realistic interdependence of land, water and people for the lasting good of all.

This Congress is another milepost in your progress. In it we will do well to pause and take stock; discover our weaknesses; bolster our strength and redirect our sights to the challenges and opportunities ahead.

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Address by John A. Baker, Assistant Secretary, U.S. Department of Agriculture, at the Fifth American Forest Congress, Statler Hilton Hotel, Washington, D.C., noon (EST), October 29, 1963.

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This Nation has come a long way in the conservation and wise use of our natural resources. Forest exploitation is no longer a national disgrace and soil erosion is no longer a national menace. Since the 1930's we have been diligently refining and broadening our conservation aims to meet the new challenges of the times. But conservation is a never ending job. As we progress, the pressures on our resources increase. With each new technical and scientific advancement, with each new child added to our surging population, the challenges seem to become more and more formidable.

It is safe to assume that the problems of the future will be no easier to solve than those of the past. It is clearly more important now than ever before that we accelerate the development and use of our resources to serve the needs of all the people.

This is an enormous task. It involves human as well as natural resources. It must deal with both private and public lands. It must support a major segment of the Nation's economy--the forest industries, large and small. The goal should be sufficient profit to sustain employment and stabilize communities, made possible by virtue of well-managed renewable natural wealth. The task directly concerns rural America--its soils and woodlands and wildlife--and the 90 million people who live there on the farms, in the villages, towns, and small cities. Resource conservation, in the broad and meaningful sense, is more than a challenge in dealing with the physical and biological influences and values; it embodies social and economic challenges as well. How well we meet these challenges--how quickly we act to meet them--will have a profound and lasting bearing on the future of this Nation.

Rural America has much to offer. The resources are there in its people, land, water, forests, grasslands, and wildlife.

The Department of Agriculture, in furthering the Platform For American Conservation through a high priority emphasis, is providing its facilitating services and resources to the nationwide Rural Areas Development effort. This effort has as its basic concept the blending of all resources and programs--local, State, and National--to be used by local leadership in creating new economic opportunities in rural America. If I read the aspirations of rural America correctly, the aims of the RAD can be stated in these 8 points:

1. To increase the income of people living in rural America and to eliminate the causes of underemployment.
2. To improve the family farm system of American agriculture.
3. To expand job opportunities through loans, grants, technical services, and training programs that create new factories, stores, recreational enterprises, crafts, and services of all kinds.
4. To promote outdoor recreation opportunities on privately owned and public lands--recreation that provides a new source of income for the farmer and rural businessman and at the same time serves the needs of our growing urban population.
5. To readjust land use, nationwide, to meet national needs and to bring the use of every acre in line with its capabilities.
6. To provide appropriate technical services and adequate financial support for the protection and development of our soil, water, forest, fish and wildlife and open spaces.
7. To improve existing rural community facilities and institutions, and where needed to build new ones so that people in our rural areas are assured safe water supplies, first rate schools and hospitals, and other services that are standard in a modern community.

8. To make continuous and systematic efforts to eliminate the many complex causes of rural poverty.

This effort received new impetus from the Food and Agriculture Act of 1962 which gave the Department broadened authorities in the fields of resource development, credit, watershed development, cropland conversion, recreational development, and rural renewal. Coupled with the Department's going programs, we feel that Rural Areas Development will have a very real impact on improved conservation use and development and higher incomes in rural America.

The RAD self-help approach has assisted local people to encourage industry to build new plants in rural America, creating an estimated 52,000 new jobs-- primarily in the commercial and industrial field.

During the past year 10,000 soil conservation district cooperators developed income-producing recreation enterprises on their land. Another 9,000 have indicated they plan to develop recreation facilities in the near future. Some 2,800 farmers in 138 counties in 34 States have signed long-term agreements to divert 140,000 excess cropland acres to other, more economic uses, including recreation, grass, and trees. The Accelerated Public Works program during the past year created more than 216,000 man-months of employment in our rural areas, mostly in forested country. In addition to the temporary employment, there will be long-range benefits from the development of our natural resources both for pleasure and future profit and to prevent floods.

The small watershed program has been expanded to include development of water-based public recreation areas and extra water storage capacity for future municipal and industrial use. Sponsors of 49 watershed projects in 23 States have received tentative approval of recreation areas within their projects. In the past 2 1/2 years, USDA has advanced more funds for rural housing than in the previous 11 years of the rural housing program's existence. These

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USDA 3515-63



housing loans, since January 1961, have resulted in 85,000 man-years of employment and have had a total economic impact of adding about \$2 billion to the rural economy. It has created a growing demand for lumber, for plumbing, heating and electrical equipment, for construction items such as concrete, masonry, millwork, plaster and paint, and for furniture.

Deposits in country banks in the farm states are up 8 percent since 1960. Local people have organized RAD committess in two-thirds of the nation's counties, and they are actively working on area economic problems, creating new jobs, better community services, and developing our natural resources to serve the needs of all the people.

Constructive forestry contributes directly to prosperity in rural America.

Fire Protection: Although we did pretty well last year, the drought in the East convinced us that we cannot relax in our drive for more complete and more intensive protection. In 1961, 6,000,000 additional acres were put under protection. However, the number of fires on protected State and private lands jumped to 95,000, an increase of 22,000. The burned area went from 500,000 acres to 1,600,000 acres. The year 1961 demonstrated to us, once again, that since we cannot control the weather there's no "taking it easy" where fire is concerned. We all realize that fire protection will become even more important as the national movement to develop private recreation enterprises for profit on rural lands takes hold. The great investment in these businesses--many of them in woodland settings--will call for greatly intensified fire protection. Here is a challenge that we must gear up to meet, starting today.

Rural Fire Defense: Rural America occupies a vital position in our national defense. In the event of nuclear attack it may be called upon to defend itself against fallout, and fire, and to feed and harbor thousands of

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USDA 3515-63

refugees from the area of attack. This is not a pleasant situation to contemplate but in this coldly realistic world nothing must be left to chance. Therefore, as a result of the nuclear age, forestry finds itself with still another job--a task that might well be a matter of life and death--the job of protecting the resources and people of rural America against fires in the event of attack.

Forest Pest Control: The never-ending fight to protect America's forests from insects and diseases goes on. Forest pests extract an annual toll in trees killed, deformed, and stunted that exceeds the damage caused by all other destructive forces. The Forest Service, other Federal land-managing agencies, State and local governments, and timber owners are all involved in the continuing struggle to reduce insect and disease losses. All insect control projects are carefully planned and precautions are taken to guard against danger to human population and losses to fish and wildlife.

Tree Planting: Tree planting has been of great interest to Americans. Yet, last year, shipments of trees raised by State forestry nurseries under the cooperative State-Federal program were the smallest since 1956. Planting stock was adequate but the demand was off, although there were shortages in some States. Tree seedlings are important to any meaningful forestry program. We will continue to need nursery facilities, including seed stocks, to meet continuing demands for seedlings. In light of the dynamic effort toward Rural Areas Development we must be prepared and should continue to keep our forest tree nursery facilities in a state of readiness.

Small Watershed Program: The Small Watershed Program makes a positive contribution to Rural Areas Development. As of October 1, 1963, 1,995 applications for Federal assistance in planning PL-566 watersheds had been received

by the Soil Conservation Service. Assistance for planning was authorized on 920 of these watersheds, and installation of improvements was approved on 498. Construction has been completed on 95 projects.

Of the approved watershed projects, 386 include forest land, with 281 of them requiring special forestry measures. Of these, 266 will require joint Forest Service-State Forester participation.

River Basin Planning: Forestry has an important part in river basin planning. The Forest Service is responsible for planning the forestry phases of the studies. In Fiscal Year 1963, the Forest Service participated in the study of 18 basins or sub-basins, some of it contracted out through the States. The Fiscal Year 1964 budget provides for Forest Service participation in 24 river basin studies. We should remember that the entire approach to comprehensive river basin planning is, as it should be, under close scrutiny, particularly the scope and cost of the work. It is imperative that Federal and State governments work as a team to get the maximum value out of every tax dollar spent.

Cooperative Forest Management: Most of you are familiar with the Cooperative Forest Management program or as it is more popularly known, the "farm forestry program." Here is a program with a powerful RAD potential because it provides technical forestry service to America's small woodland owners. Conducted by the State Foresters of America, fiscal year 1962 saw 91,000 family forest owners helped, more than in any previous year. The States contributed 3 million dollars and the Federal Government 2.3 million to this work. About 650 farm foresters are on the job. It is encouraging to note that a long step forward was taken last year in this work when Congress amended the Cooperative Forest Management Act to raise the authorization from 2 1/2 to 5 million dollars.

We are fortunate to have the State Foresters and their 650 Farm Foresters on the job. It is to them that we are turning, in many circumstances, to carry forestry's share of the load in the many new programs. And it is to them, along with forestry-trained people of other agencies, organizations and private industry, including consulting foresters, that we must turn in the drive to bring multiple use for profit to America's family forests.

The forestry phases of the Agricultural Conservation Program are usually serviced by Farm Foresters.

State employed Farm Foresters continue to play a key role in assisting Soil Conservation Districts. In 1962, there was a total of 1,000 written agreements between State Foresters and Soil Conservation Districts and the State Foresters were actively cooperating in 2,300 Districts.

You already find America's farm foresters working on the small watershed program. Soon they will be called upon to carry the forester's share in the new programs being developed under the Agriculture Act of 1962. I am speaking particularly of the Cropland Conversion Program under the leadership of the ASCS, the Rural Renewal Projects directed by FHA, and the Resource Conservation and Development Projects and income-producing recreation programs under the leadership of the Soil Conservation Service.

The National Forest: From their very inception in 1905, one of the prime goals of the National Forests has been multiple use management of their resources to help sustain the local economy. This contribution to the local economy has been growing with the passing decades. For example, last year there was an all-time high harvest of 10 billion board feet of timber from the National Forests for which the Government received \$134 million in stumpage. This timber, from stump to end product, provided about 514,000 man-years of work.



Let's look at it another way: For each dollar's worth of timber stumpage, an average of \$24 more value is added to the original worth of the wood by the time it reaches the ultimate consumer. This accumulated wood-based value, triggered by these 10 billion board feet of stumpage, amounts to 3.3 billion dollars. These dollars went out as wages for workers and income for companies and contractors engaged in harvesting, processing, fabricating, transporting, and distributing forest products. These rapidly circulating dollars are RAD tools of the highest order.

The National Forests, and their influence, inject many additional dollars into the rural economy. For example, in 1962 there were 113 million recreation visits to the National Forests. When you consider that two dozen tourists a day for a year equals the spending power of an industrial plant with a \$100,000 annual payroll, those 113 million recreation visits take on new meaning for hundreds of rural areas in or near the National Forest environs.

Today, outdoor recreation is a \$20 billion a year business. We will continue to expand recreational facilities in the National Forest; State and National Parks are being improved. But the need for new outdoor recreation facilities cannot and should not be met on public land alone. It must be met in large part on the privately-owned farms and ranches within easy driving distance of our major cities. This recreation activity can be a leading factor in revitalizing rural America.

I am sure you are familiar with the many other local and national benefits that National Forests provide--hunting, fishing, grazing, and water. However, I point out that in hundreds of communities across America the National Forests are an important cornerstone of Rural Areas Development. The job facing us all is to make the private forests--especially the small forest ownerships--equally as important.

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Forest Service Research: Research in management, protection, and utilization of the forest resources continues to pay dividends. For example, research at the Forest Products Laboratory has laid the ground-work for many new forest industries. A case in point is the development of a new use for the rapidly growing southern pines--the manufacture of plywood from this species. Plans are under way for industrial development that would use, annually, some 100 million board feet of this abundant timber species. In the process, the new use would create 750 new jobs with an estimated annual product output worth 12 to 15 million dollars. Viewed through the eyes of rural communities those 750 jobs and 12 to 15 million dollars are big jobs and big dollars. Rural America needs more of them.

Change Brings New Challenges: American forestry, caught in the swirl of a rapidly changing world, is on the brink of many great new things. The agenda of your Congress is a reflection of the awareness of this fact. Today, there are new challenges to be met; there are new opportunities to be realized; there are problems, both old and new, to be solved and there are numerous questions to be answered. How alert are we to the fluid situation in which we find ourselves? Are we flexible enough to adjust? Are our professional resource managers prepared to handle

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the tremendous task that faces us in land use adjustment? Are they ready to apply the principles of multiple use for profit from rural lands? What about our schools and colleges? Can they train their students in these concepts; if not now, when? What are we--you and I--ready to do now to speed the day when forestry and the forest resources will contribute their full share toward a better life for all Americans--rural and urban?

As we move forward I see some challenging but greatly rewarding tasks ahead:

We must prepare for and hurry the day when the idea that scenery is a commodity that can be profitably sold will be generally accepted; the day when there will be a great demand upon us for help in developing private outdoor recreation enterprises as a source of income to landowners and communities.

We must strive for the day when the rural land use plan will become a total multiple-use-for-profit plan--a conservation plan in which the family forest ceases to be an afterthought and becomes a full partner in producing farm prosperity.

We must prepare, and soon, for the time when the woodland owner will no longer be satisfied with a forest management plan that tells him only how to grow, harvest and market his timber. He will be satisfied with nothing less than a plan that is geared to profitable management of his particular woodland--one that harmonizes the needs and desires of the owner with all the potentials and limitations of his entire farm or other unit of land. This means full multiple use made possible through good forestry, soil and water conservation and necessary land treatment and practices.

We must hurry the day when forestry and multiple use of resources will bring more opportunity to rural areas so that our young people can find

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rewarding work at home. Without their energy and their drive, rural America cannot be stable and prosperous.

We must join in bringing more of our senior citizens into Rural Areas Development work. The unlimited talents of retired leaders from business, agriculture, commerce and the professions who live in rural areas should be fully enlisted in the RAD movement. They have the know-how and a readiness to serve. But you've got to ask them. They're ready, if you are.

We, at this Congress, and all others interested in people and resources should never rest until we have reversed the sobering and regrettable relationship between depressed areas and forests. Let's vow to get full multiple use value out of forest lands so that America's timbered areas become areas of prosperity and opportunity instead of want and distress.

I believe that we, who concern ourselves with natural resources and with rural people, must adjust to the fact that civil defense is an integral part of every day living. It is a necessity in a world of conflict and tensions and that ours, like the whole world, is a wide open country. This means preparing for the worst and hoping for the best. We cannot afford to leave the vast area of rural America and its people and resources unprepared to defend itself against nuclear attack; against fire and radioactive fallout; against biological and chemical effects. The time to prepare is today.

In this era of pressures against our natural resources, of competition for space--land space and water space--a paradoxical situation develops. Witness the fact that a higher percentage of the total land area of many states grows trees than was true a half century ago. Surprising to some people this is the case in such states as Massachusetts, Pennsylvania, North Carolina and my own native State, Arkansas, among many others--abandoned farm land reverting



to trees or perhaps just brush! Such lands are too often indicators of depressed areas and depressed people. Too often they are burdens on local government and the local economy. All this in the face of hunger for more open spaces among crowded people often living nearby! These areas are not needed for the production of food and fiber under our modern system of agricultural production efficiency. They cannot compete in that system. In many of them conventional timber production may not be feasible. Yet there must be other values in them--hunting, fishing, and other forms of recreation, summer home sites, rural industry and so on. A tremendous opportunity for the professional forester, the land use specialist, conservationist and resources planner is to find those values, and through the local leadership RAD approach, see to it that they are fully realized.

The local soil conservation district with its modernized and up-dated program of work is a most effective local unit of State government operated by landowners themselves for undertaking the land use adjustment, treatment and practices needed--with the technical services of agencies, organizations and individuals in a position to assist.

I see ahead of us a greater understanding and a better meshing of interests between rural and urban populations. A city family on a farm vacation cannot help but leave impressed with the amount of work that goes into caring for, let's say, just one farm animal. The two peoples are interdependent. Neither can flourish without the other. But, and I see this day coming--when the producer and consumer interests of both are meshed together and pointed toward a common goal there can be but one result--greater opportunity and greater prosperity for both. This will benefit the whole Nation.

The over-riding element in the progress of rural America will be information and education for both city and rural people to meet the needs, problems and opportunities in the country and to create a better understanding of the interdependency of rural and urban residents. I feel certain that our colleges and universities will tool up in this day of rapid change to meet the new challenges that confront them in teaching multiple use management of rural lands for profit. But this is not enough, let's also ground our young people in the techniques of resource use, management and protection even earlier. I'm thinking in terms of vocational education in our elementary and high schools and of education through 4-H clubs, Future Farmers of America, Extension work and public service programs. And while we're at it, let's include the young adults who have not had this training, whenever possible.

As a final word, whatever we do, let's never forget that with Rural Areas Development, Cooperative Forest Management, Watershed Management, Soil and Water Conservation--no matter how you term it--you can only move as fast and as effectively as the local leadership is willing to move. I hope that you, the members of the American Forestry Association, will join with us and do your very best to keep your local leadership informed; keep it inspired; help it over the rough spots. This is Rural Areas Development of the highest order; this is public service at its best.

Thank you.

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In the United States, a public area greater than the entire northeast

and the Lake States combined has already been set aside for recreational use.

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Moreover, Federal, State, and local governments are spending about \$1 billion a year to improve these recreational areas, and to buy new ones.

But we are somewhat like a greyhound chasing a mechanical rabbit -- run fast as we can we never catch up. Each year, the line of automobiles of campers waiting for a tent site grows a little longer, and that favorite beach becomes a little more crowded. It is obvious to all that even more publicly owned recreation sites will have to be acquired, set aside and developed.

It is equally obvious that the outdoor recreation needs of the American people are not being . . . and never will be . . . fully met on public lands alone.

How, you may ask, did the Department of Agriculture get involved in the income-producing outdoor recreation business?

The answer is simple -- three-fourths of the Nation's land is privately owned -- most of it in the farms and ranches that surround our growing metropolitan areas. In providing city dwellers and suburbanites with outdoor fun they want and need, the farmer also solves his problem of how to make money off land and water no longer needed for growing crops.

In fact, I should like to spend a good part of my time today to introduce you to the <sup>new</sup> concept of outdoor recreation as a farm enterprise.

Throughout the United States, more and more farmers are finding that recreation-for-pay is the answer to their income and land-use problems. Like Kenneth L. Holderman of Wisconsin Dells, Wisconsin.

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Address by John A. Baker, Assistant Secretary, U. S. Department of Agriculture, at the National Industrial Recreation Association, Eastern Regional Conference, Mayflower Hotel, Washington, D. C., November 1, 1963, at 10:25 a.m. (EST)

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Holderman and his family got into the recreation field four years ago, when they started renting part of their home to city folks who were looking for a change of pace vacation.

Spurred by the success of the venture, the Holdermans decided to enlarge their operation. Early this year, they became the first farm family in the Nation to receive a Department of Agriculture loan to install on-farm vacation facilities.

They added four housekeeping units to the one they already had. They stocked their four-acre lake with more fish, bought more rowboats, added to their miles of hiking and pony trails, and built campsites with fireplaces and picnic tables. USDA technicians helped them establish a sand beach on the lake and install a larger boat dock.

Holderman believes this recreation enterprise will eventually double the income from his 330-acre farm.

Other farmers are following Holderman's lead. Through September 30th, 106 farm operators had borrowed a total of \$783,000 to develop camping and picnic sites, shooting preserves, and to build lakes for fishing, swimming and boating. Twenty-one non-profit associations were formed by farmers and rural residents who borrowed more than \$1.5 million to finance larger recreation projects. For every loan that we have been able to make, we have had eight more requests.

This is just one way in which the Department is helping meet the rural demand for new sources of income, and the urban demand for new recreation areas.

We have other types of credit -- from loans to cost-sharing and grants. We are carrying out research projects. We are providing economic analysis and guidance and technical assistance.

Farmers and ranchers, even entire communities, are making use of these services to develop a host of recreation facilities. They are creating shooting preserves, campgrounds, city parks, riding stables, boat docks, on-farm vacation facilities, stock ponds for both breeding and fishing, golf courses, dude ranches and the like.

The opportunities are virtually unlimited.

A Massachusetts apple grower installed a ski tow on one of his idle slopes and now he is bulldozing apple trees to make more room for skiers. A Connecticut town had a swamp area that it was planning to turn into a dump. Instead, with technical advice from the Department, the swamp has become a city park with lakes where townspeople can fish, picnic and ice skate. In Georgia, a group of farmers have opened their stock ponds to fishermen on a fee basis, and they are advertising through means of a colorful brochure. Out in Michigan, a farmer is using the Department's financial and technical help to develop a recreational area that will provide fishing, swimming, boating, camping, hiking, and horse-back riding in the summer and fall, and tobogganing and skating in the winter. In Arkansas, a rice producer grows rice in his field part of the time, then opens the field to duck hunters for pay in the fall.

In the National Forests, which the Department administers, there are unrivaled opportunities for a full-range of outdoor activity. You can pitch a tent or sleep in the open under the stars; catch mountain trout or shoot elk; go backpacking in wilderness areas and not see another human for weeks or be surrounded by fellow bird-watchers on an organized trek. You can ski on the slopes at Squaw Valley, California, or lounge on a sunny beach. All inside the National Forests, and more.

We also are helping local people develop public recreation areas in connection with watershed projects. The 1962 Food and Agriculture Act expanded the watershed program to provide cost-sharing for recreational purposes.

Already sponsors of 48 projects in 26 States have received approval of their requests for help to establish recreation areas in their watershed. In an Ohio watershed, for example, local sponsors plan a 290-acre lake, with a shoreline of over two miles in length. More than 600 acres of surrounding land will be developed for picnicking and family camping. A bathing beach, bath house and other facilities are planned, along with a boat marina, play areas and parking space.

In addition to its outdoor recreation aspects, the project will provide flood protection to a 120,000 acre area and improve the fish and wildlife habitat.

Some of these activities are proceeding more slowly than we would like, because of a lack of funds and a shortage of trained recreational personnel. But we are moving ahead where possible, helping people create new recreation areas, and developing them ourselves in the National Forests.

You will think of these first as services to the producers of recreation facilities, as indeed they are. But they are also important to the users of those facilities to the extent that they succeed in creating new opportunities for recreation. They are important to you if they succeed in providing your employee groups with the open space, the picnic and camp grounds, the water and natural areas, they want and need.

I was invited to discuss "Resources from your Government for Recreation." I understand that Mr. Louis Reid of the Bureau of Outdoor Recreation yesterday afternoon gave you the over-all picture, especially with respect to the public land resources. The panel this morning has told you what the Department of Agriculture has to offer with respect to private land. I want to sum up by discussing the why of recreation development on private land and to make some suggestions to you as users of those facilities.



### Recreation a land use.

The Department of Agriculture is concerned with outdoor recreation because outdoor recreation is a product, of the land -- a product that is increasingly in demand as people have more time, more spendable income, and greater mobility for enjoyment of leisure.

As you well know, your co-workers are seeking the out-of-doors as never before. And it takes room -- in open rural areas -- to hunt, fish, picnic, camp, swim, hike, or just relax away from the tensions of city life.

At the same time, we are concerned with another land-use problem -- the overabundance of farm crops and the low income of rural people in comparison with the income of urban people.

Increasing efficiency in farm production now permits one farm worker to feed himself and 28 other people. Last year we harvested crops from only 288 million acres, the lowest since 1909. Of our total land area only about 1 acre in 8 was in crops, yet we have an oversupply of some commodities. Plainly, we have plenty of land to meet the food and fiber needs of our people. For the immediate future, our want surely is not for greater agricultural production. The land we do not need to produce food, feed and fiber can provide us with timber and grazing, with sites for industry -- and with opportunities for outdoor recreation, thus serving the needs of both rural and urban people.

### Rural Areas Development.

The Department of Agriculture is further interested in outdoor recreation as a land use because of its potential for raising farm family incomes and for strengthening the rural economy.

Overproduction of farm crops results in sharp downward pressure on prices. In the decade of the 1950's, net farm income declined more than a tenth, while other incomes were rising steadily.

One way to meet the challenge in rural America is to develop new and profitable uses for the resources of each community and area. The people of rural America are working on this now through a new, nationwide Rural Areas Development effort. We call it RAD for short. Provision of needed outdoor recreation facilities for urban folks is a big part of the RAD effort.

Already two-thirds of the Nation's counties have organized local RAD committees which are at work on county and area problems and are planning needed additional outdoor recreation facilities and opportunities that will be available and attractive to the urban families with whom you counsel.

The Department of Agriculture has been directed by Congress to participate appropriately in these RAD efforts, mainly through making available certain technical and financial resources.

During the past year the recreation phase of Rural Areas Development has been one of the most gratifying. More than 9,800 soil conservation district cooperators have established one or more income-producing recreation enterprises on their land. For 10 percent of them, recreation has become their primary source of income. These enterprises are located in every State, but, unlike public parks and recreation areas, they tend to be concentrated in heavily populated areas where the demand for such services is greatest.

#### Private Land Must Meet the Demand

I urge you to investigate particularly these recreation facilities that are being provided on privately owned rural land. They can help in your programs to supply recreation outlets for employees of your company. Your patronage, in turn, will encourage further development of recreation facilities within easy reach and at the same time advance needed land use adjustments we are helping private landowners make.

## Opportunities in Your Back Yard

About a year-and-a-half ago the Department of Agriculture assigned a task force to investigate the status of income-producing recreation enterprises on farm land. Within a few weeks this group assembled information on an impressive number of operations in all parts of the country. It found that recreation already was a going business of major importance in some regions. As a part of its survey, the Outdoor Recreation Resources Review Commission received replies to a questionnaire from more than 4,000 operators of recreation facilities.

As an outgrowth of the task force study, the Department has just published a bulletin which reviews some of the major recreation opportunities for rural landowners, outlines some of the problems, and provides guidelines for choosing and planning such an activity. Although addressed primarily to landowners, it also should be of interest to recreation directors and others concerned with finding or developing new recreation resources.

The bulletin suggests two ways that organizations like yours might be able to locate or provide outdoor recreation for its members.

First, you might go shopping in the nearby countryside and see what opportunities are already available. The Department's local personnel will be happy to steer you to attractive areas. Depending on the interests of your members, you might be interested in a picnic and playground, golf course and driving range, hunting area or fishing waters, a pond or lake with swimming and boating facilities, or a campground. Then you could talk with the owner to find out if he is willing to lease his facility for your use or to work out a good group arrangement between a city hiking club, for example, and a number of rural land owners.

A second way to obtain the recreation area you want might be through a rental arrangement. Possibly, your own industrial or employee organization might make the desired improvements. Your members might get a great deal of pleasure and satisfaction out of building their own lodge, clearing a camp site, planting wildlife food, or stocking and fertilizing a pond for fishing. Such arrangements offer almost limitless opportunities for developing choice outdoor recreation facilities at small cost.

A more ambitious undertaking might be a rural-urban community project involving cooperation between your association and a landowner group, such as a soil conservation district or watershed association.

You can find out about such projects, or other plans for community development, from the local Rural Areas Development Committee or local representatives of the Department of Agriculture in any county.

#### Outdoor Education and Conservation

And one final word of caution. There is an urgent need to educate modern Americans in the art of using and enjoying the outdoors without destroying the very qualities that make it attractive.

Undoubtedly, the peculiar appeal of outdoor recreation is largely in escaping from the pressures of crowded city life and enjoying the quiet freshness of open space. Most people today grow up in cities and towns with little understanding of plants, animals, soils, and water. Too often, when they get out in the country, they thoughtlessly deface the scenery with discarded cans and bottles, paper, and other refuse, shatter the quiet with the noises of motors, radios, and other modern gadgetry, and chop down trees and even burn picnic tables for firewood.



These abuses are generally the mark of persons inexperienced in the outdoors. By and large, they are thoughtless, rather than malicious, acts. But they are a very real and increasing hazard to the outdoor recreation resources of the future.

Organizations such as yours can do a real service by helping your members to learn the right attitude toward the outdoors. Thoughtful conduct will help make recreationists welcome in rural areas and promote cooperation between landowners and users in the development of recreation facilities.

Thank you.

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In testifying before a House Subcommittee earlier this year, Secretary of Agriculture Orville L. Freeman said forces outside agriculture threatened to drive the family farmer out of existence.

The Secretary identified these forces, then said what might be done to offset them.

The Secretary's second point, after calling for a continuation of the Department's commodity price and income improvement programs, was to urge farmers to strengthen and expand their cooperatives.

He said, and I quote: "We should strengthen the legal power of cooperatives to compete more effectively with the growing centers of power within the marketing structure of agriculture. Farm families can strengthen their ability to survive in a changing market pattern by joining together in strong cooperatives. We should determine whether new types of selling and bargaining cooperatives can be extended into other farm industries." End quote.

The Department is firmly convinced that farmers can find increasing business strength through their cooperatives. We also believe that in organizing new businesses to strengthen the rural economy, as many as possible of these new ventures should be cooperatives. In that way, the profits from the new business will remain in the community for further economic growth.

Farmers, and in fact all rural people, need their cooperatives now as never before.

The scientific and technological advances that have revolutionized agriculture have been accompanied by far-reaching changes in the marketing setup.

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Address by John A. Baker, Assistant Secretary, U. S. Department of Agriculture, at the annual meeting of the Utah Council of Farmer Cooperatives, Salt Lake City, Utah, November 8, 1963, 12:00 Noon (MST)

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The suppliers and customers of farmers have gained an overwhelming disparity of bargaining power. There has been vertical integration of farm production with food processing, and vertical integration of production with distribution. In some cases, there has been integration of all three operations. Contract or captive farming has increased the suppliers' control over production avenues. Finally, there is a problem of imposed incapacity to fit the efficiently produced output of small farms into the narrow requirements of big processing and distribution companies.

The problems confronting the rural community, are, of course, different. But it is easy to recognize the advantage of keeping profits at home and circulating in the local economy.

The Department spelled out its position on cooperatives in a policy statement issued last summer.

It was my privilege to read the new USDA policy statement at the national meeting of the American Institute of Cooperation in Lincoln, Nebraska, last August. Some of you were among the nearly 3,000 cooperative people who were there.

Many cooperative leaders have told us that Secretary Freeman's policy statement provides a more favorable and bracing climate for their organizations; that, in fact, it challenges cooperatives to broaden their fields of endeavor and pursue more vigorously what President Kennedy calls a parity of opportunity. Before I go into the more vigorous action envisioned for both USDA and cooperatives, I would like to review exactly what this policy statement said.

First, the policy says USDA has a legislative mandate to carry on research, educational and service work with agricultural cooperatives and to cooperate with local and State agencies in this; to provide credit to rural electric and

telephone cooperatives; to use the cooperative pattern in its action programs when possible; and to accord "recognition and encouragement" to agriculture cooperatives.

The policy statement points out the urgent and impelling need for farmers to strengthen their position through cooperatives in line with the increased concentration of nonfarm economic power.

It then directs each agency of the Department to give proper recognition to the basic nature of cooperative enterprise and to lend full support to the policy statement on cooperatives.

The statement also states that the Assistant Secretary for Rural Development and Conservation shall provide liaison and coordination within the Department and be responsible for working with the Cooperative Advisory Committee.

This policy statement establishes broad boundaries for action and results. From it, and from other actions, I will discuss later, you can see USDA envisions greater spheres of activity and extended horizons of service to rural people through cooperatives.

Your Utah cooperatives have been developing rural areas for years before anyone put the formal name of Rural Areas Development on their activities. Co-ops have often scouted out new endeavors and moved into them to benefit their farmer members and to pull their communities along the path to expanded prosperity.

They have, in fact, strengthened the economic fabric of entire areas by helping producers make more money, by providing jobs for local people, and by insuring local firms more income and business from both farmers and the cooperative operation itself.

Two recent happenings mirror the need for intensified rural development activities and for increased participation by cooperatives.

The first of these -- the White House Executive Order of October 17 creating a Cabinet-level Rural Development Committee consisting of the Secretaries of Agriculture, Commerce, Health, Education and Welfare, Interior, Labor, and Treasury; and the administrators of the Housing and Home Finance Agency and Small Business Administration. The Secretary of Agriculture will serve as Committee chairman.

In his Executive Order, the President outlines the need for a suitable Federal organization to coordinate the rural development efforts of the various Federal departments and agencies. The new committee will also help Federal agencies cooperate more effectively with local people and State and local bodies. The President also re-emphasized the need for leadership at the local level, with the Federal government cooperating to provide services and loans as needed.

The Secretaries of Agriculture and Commerce are to institute and maintain appropriate measures for effective coordination of the RAD program and the Commerce Department program under the Area Redevelopment Act, and to coordinate the activities of the Rural Development Committee and the Area Redevelopment Advisory Policy Board.

The second recent event of particular interest to cooperatives was a recommendation adopted by the National Rural Areas Development Advisory Committee at its quarterly meeting last September. The Committee recommended, and I quote, the "implementation of the Secretary's policy to include cooperatives more directly in the RAD program and to enlist in support of RAD the efforts, investments, and educational efforts of cooperatives."

These two steps have sharpened the focus on the need for "energizers" in many rural communities and the awareness of the stake cooperatives have in all this.

Certainly history shows agriculture has no safe harbors to rest secure in. As soon as farmers weather one economic storm, it seems another is sending out advance guard warnings, or the first one is turning around to strike again.



We all know the pastoral era of farming is gone, that we must some way learn to plot new directions in an era of both agricultural miracle and agricultural upheaval. Nowhere is the statement that "Science has broken into a run" truer than in agriculture.

I won't take your time to redefine all the upheavals, challenges, problems, or whatever you choose to call them. But I do want to briefly discuss a few we considered at the National Conference of Cooperatives and the Future last spring-- a conference that was partially, at least, the generator of the new policy statement by USDA this summer.

Not only do I want to discuss the problems brought out at the Co-ops and the Future Conference, but I want to bring them as close to home to Utah as possible and show some of the things being done to help solve them.

In solving these problems we help strengthen and protect the family farm type of operation that has made American agriculture the productive miracle of an age of productive abundance.

As the Secretary has said, USDA sees the need to strengthen the legal power of cooperatives to compete more effectively within the existing market structure for agriculture.

You have an outstanding example in this State of a cooperative that not only pools bargaining power, but also does many of the other things so essential to survive in today's markets.

I am speaking of your Norbest Turkey Growers Association ... essentially a sales federation for 11 cooperatives. Norbest markets any turkeys not sold in the State under a true pool system. Association members receive a partial payment at the time the turkeys are delivered, then the balance when they are sold, either through the Thanksgiving or Christmas pools or from the storage pool. Norbest learned how to process and package to meet consumer demands and built a quality brand name.

It keeps alert to trade and market changes and needs. It has built up strong sales activities both for domestic and export market, and it is constantly looking for ways to operate more efficiently.

In spite of these progressive activities, Norbest confronts the problems common now to most poultry and turkey producers -- large supplies, high costs, and low prices. The answers to these problems we are all still seeking.

The problem of integrating and diversifying services for greater internal strength also was discussed at the conference.

One of the local co-op members that uses Norbest as its sales agency also shows how a closely integrated operation can bring benefits to the members, rather than having them siphoned away to outside interests.

Back in 1940, the turkey growers formed the Moroni Feed Company, bought an abandoned sugar warehouse and began mixing a line of feeds of their own. Today they have their own turkey breeder farm, hatchery, feed mill, supply warehouse, propane bulk plant, service station, financing department, a million dollar turkey processing plant, and a by-products plant -- with \$2.5 million equity in the cooperative.

This association employs 33 people full-time and 185 on a seasonal basis. Each year it spends substantial amounts for packaging materials, utilities, and insurance.

All this in a town of 1,000 people.

Another way to achieve greater bargaining strength is through merger. This, too, was discussed at the National Conference.

We know the Capper Volstead Act of 1922 gave individual farmers the right to join together to market their products and that it gave groups of farmers cooperatives the right to have common sales agencies. However, it did not give them any other special exemptions from antimonopoly laws or the right to engage in unfair trade practices any more than any other type of business.

These facts are important in considering mergers. USDA's Farmer Cooperative Service has helped many cooperatives in recent years by pointing out elements to be considered before a merger can take place -- not only whether it will benefit members but also whether it meets other criteria for the public good.

Farmer Cooperative Service records show that from 1957 to 1962, over 230 cooperatives -- or an average of about 5 a month -- were involved in mergers, acquisitions, or consolidations. This consolidation rate is much lower than that of other industries.

Some FCS staffers have been working with some of you to combine operations of the Intermountain Farmers Association, the Draper Egg Producers Association, and the Draper Poultrymen, Inc.

Our findings show this merger could result in savings of over \$100,000 a year to Utah farmers, that it could provide sufficient volume of business and capital to make feasible the building of a modern feed mill, and that it could provide more complete and effective services to farmers.

I understand other mergers are being considered by Utah cooperatives. I urge you to continue working on this method of strengthening cooperatives. Cooperatives must have large volume and low unit costs if they are to be effective tools for farmers.

USDA has many types of services that help rural cooperatives.

These include services that:

Contribute to improving and stabilizing farm income, services -- embracing the work of many agencies.

Services that provide credit for electric and telephone cooperatives through the Rural Electrification Administration.

Services that provide credit to individuals and nonprofit associations for recreation and rural housing for senior citizens through the Farmers Home Administration.

Services that provide technical help for the balanced use, development, and conservation of soil, water, forests, and other natural resources -- mainly through Soil Conservation Service and Forest Service and the conservation studies of the Agricultural Research Service.

Services that provide leadership, technical help, research, and financial resources to stimulate area planning, organization, and action in communities -- again services that embrace activities of many agencies including the Office of Rural Areas Development, Extension Service, Farmer Cooperative Service, and Rural Electrification Administration, and all the research agencies of the Department.

In addition, two-thirds of your State is under a Federal Milk Marketing Order, and 90 percent of the producers who supply order handlers are members of dairy cooperatives.

Now I would like to turn to Rural Areas Development Program, and the special role we see in this program for cooperatives -- first to lend their support to the program where possible and second for RAD to provide stimulus and support in adding new cooperative services.

Perhaps a definition the Secretary is using will sharpen the image of RAD in your minds, will give you a better grip on what its aims and aspirations are.

The Secretary has said, and I quote:

"All the resources and agencies of the Department are contributing to this effort. It emphasizes the use, not idling of land; the development of communities, not their stagnation and decline. Its aim is a rural renaissance through a host of new opportunities in rural areas ...ranging from on-farms recreation for pay to new industry ... from improved housing to modern community water systems ... from new ways to utilize what the land produces to more adequate supplies of water needed for industrial development. RAD seeks, in effect, to help the rural community compete not only for a fair share of our growing economy, but also for the affection of its own sons and daughters."



Basically, RAD's purpose is to stimulate local people to do their own planning and implementing to adjust their communities to the realities of an age of automation and mechanization that has drastically reduced the need for unskilled labor, and outmoded other skills.

The Department of Agriculture, and other Federal, State, and local agencies, provide financial and technical help, where necessary.

RAD is whatever local people do to improve their economy, whether it is an individual farmer opening a stock pond for fee fishing, or a committee of local citizens working together to obtain an Army Engineers flood control project that also can be the focal point for a multi-million dollar recreation complex.

RAD has eight goals. These are to aid rural people -- farm and non-farm:

1. To expand job opportunities through loans, grants, technical services, and training programs that create new factories, stores, recreational enterprises, crafts, and services of all kinds.
2. To improve the family farm system of American agriculture.
3. To encourage more rapid development of recreation facilities on rural land to provide farmers and rural businessmen with a new source of income, and at the same time serve the needs of our growing urban population.
4. To bring rural income up to a level equal with income nationally
5. To encourage adjustments of land into patterns which will utilize each acre and each resource as the nation most needs them.
6. To provide the technical and financial assistance necessary to conserve soil, water, forest, fish and wildlife and open spaces around our metropolitan centers.
7. To help rural people improve existing community facilities, or where needed, build new ones so that they have the public services which people expect a modern community to provide, and
8. To eliminate all causes of rural poverty.

Many cooperatives already are taking part in the concentrated efforts of local, State, and Federal people to rejuvenate rural areas.

They are making available to RAD committees and projects their leadership in business and their experience in working together.

A number of new cooperatives have been started under the RAD program and established associations have added new services in some areas.

Some examples of RAD cooperative projects are artificial breeding cooperatives in Kentucky and Mississippi, peach growers' cooperatives in Georgia and Alabama, a grain elevator cooperative in Nebraska; a soil sampling program in South Dakota; an apple packing cooperative in Pennsylvania, and a water development cooperative in South Dakota.

Southern States Cooperative of Richmond, Virginia is taking the approach of developing agriculture and other native resources, rather than of bringing in industry. A staff member was appointed to work full-time as coordinator of RAD activities for the cooperative.

Southern States has 10 regional offices with 6 to 10 specialists working with local service agencies and the farmers around each organized into boards of directors or advisory committees. These local farmer groups are definitely among the key people in the communities where RAD is working.

In Elliott County, Kentucky, Southern States joined with the University Extension Service to develop and expand feeder pig production and commercial egg production. It helped 5 selected egg producers, each with 10,000 laying hens, get credit from Production Credit Administration, Farmers Home Administration, and local banks.

Then to provide in-plant washing and processing of the eggs, the cooperative expanded its egg marketing operations at Huntington, W. Va.

In other regions, Southern States is working closely with local staffs in Extension, Farmers Home Administration, and other agencies to develop potential markets for wood products, other feeder pig and egg production operations, and in other agricultural enterprises.

The man in charge of this program had this to say about the program, "The sizeable farmer cooperative can do much to expedite RAD projects and programs; to get a project started, to follow through, to 'assist the loans' to find their way faster to the focal point of action."

Rural America already is crossing the threshold of its economic renaissance.

The examples are many.

Local rural electric cooperatives are coordinating many technical and financial resources to local communities that are developing new enterprises. Through these and other services available to local RAD groups, an estimated 52,000 new jobs have been created during the past 2-1/2 years.

We have begun a pilot program to help farmers and associations of farmers and rural people convert cropland into recreation areas or to wildlife habitat, grazing, timber and water storage use. Agreements have been signed in 138 counties in 34 States to divert 140,000 acres of cropland to more productive and profitable uses.

The Soil Conservation Service, in cooperation with locally-governed soil and water conservation districts, has provided technical assistance to some 10,000 rural landowners who have converted cropland to recreation use, and reports an additional 9,000 others planning similar changes.

Farmers Home Administration is providing recreation loans to farmers and rural associations. Some 95 farmers and 20 nonprofit associations are now developing various types of outdoor recreation facilities on former cropland -- fishing, camping, farm vacations, and the like.

Farmers Home Administration also is handling the rural housing loan program which has been expanded to include rural nonfarm housing and to cover senior citizens housing in rural areas.

Since 1961, FHA has advanced more funds for rural housing than during the previous 11 years of existence. And these loans have created 85,000 man years of employment and added about \$2 billion to the rural economy.

The Department's Rural Housing program and the Federal Accelerated Public Works program have, since 1961, provided more than 1.2 million man-months of temporary employment.

It will take a long time and a big investment to get some rural communities moving again -- and most of the effort and money must come from the local people.

However, Federal, State, and local agencies stand ready to help. Our financial and technical services can help you attract outside capital, start new businesses, develop your community facilities, skills, and natural resources.

By pulling together, we can get the job done.

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U. S. DEPT. OF AGRICULTURE  
NATIONAL FARMERS' UNION

U. S. Department of Agriculture  
Office of the Secretary

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To have the opportunity to discuss the exciting challenges ahead for cooperatives with leaders in South Dakota, where you have built and used so many successful cooperatives, is both gratifying and stimulating. I have known and worked with you for many years. I know you to be sincere, dedicated, and knowledgeable.

We are meeting here in a period of unprecedentedly rapid rural change and of change in the nation's economic structure. The implications of this rapid change are not fully understood. But one point is clear.

Farmers need their cooperatives now as never before.

This simple but profound truth knifes through a complex maze of actions and reactions, reasoning and counter-reasoning, and recognizes one inescapable fact.

That is, that the farmer, who throughout the history of the world has had the short end of the bargaining stick, has even less of a handhold now.

In the past, large parts of the marketing system beyond the local and terminal elevators and packing companies, were open and impersonal, with largely uncontrolled channels into thousands of small, independent retail stores.

But now, there are far fewer buyers and they are vastly larger. Non-farmer controlled vertical integration, contract farming, and the need of big processing and distributing companies for large quantities of uniform quality foodstuffs have cut the ground from under the farmer's feet.

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Address by John A. Baker, Assistant Secretary, U. S. Department of Agriculture, at the annual meeting of the South Dakota Association of Cooperatives, Huron, South Dakota, November 18, 1963, 10:15 a. m. (CST)

When he goes into the market place alone, he is at the mercy of those he does business with. This is not to imply a lack of ethics on the part of the farmer's buyers, nor his suppliers. It is simply to recognize that they have an overwhelming preponderance of bargaining power, and naturally they seek as favorable a profit margin as possible.

The United States Department of Agriculture recognizes the changes that have taken place, and it has urged farmers and lawmakers to strengthen and enlarge cooperatives to counteract the farmers' loss of bargaining power -- to help restore effective competition and some semblance of balance to the marketing process.

In testifying before the House Subcommittee on Family Farms earlier this year, Secretary of Agriculture Orville L. Freeman called on Congress to expand the legal power of cooperatives in order that they might compete more effectively with these new forces in agriculture's market place. He also called on individual farmers to join together in strong cooperatives, and to explore the possible need for new types of selling and bargaining cooperatives.

We in the Department believe that cooperatives form the core around which the future progress of agriculture will revolve. We, therefore, have taken a number of steps to bolster the co-op movement.

One was to issue a new cooperative policy statement last August.

This statement recognizes that the Department has a legislative mandate to carry on research, educational and service work with agricultural cooperatives and to cooperate with local and State agencies in this work. It also recognizes our duty to provide credit to rural electric and telephone cooperatives; to use the cooperative pattern in our action programs where possible, and to accord "recognition and encouragement" to agricultural cooperatives.

The policy statement points out the urgent and impelling need for farmers to strengthen their position through cooperatives in line with the increased concentration of non-farm economic power, and it then directs each USDA agency to give proper recognition to the basic nature of cooperative enterprise, and to lend full support to implementing the co-op policy.

Another step we have taken is to reconstitute the Cooperative Advisory Committee, which is composed of representatives of the American Institute of Cooperation, the National Council of Farmer Cooperatives, the Cooperative League of the USA, the National Federation of Grain Cooperatives, the National Milk Producers Federation, and the National Rural Electric Cooperatives Association.

This committee is just now completing a series of interviews in depth with all agency heads within the U. S. Department of Agriculture. Their purpose is to see what each agency is doing in relation to cooperatives, and to consider with them improvements they might undertake.

We also hope that cooperatives will assume a greater role in our nationwide Rural Areas Development program. At its last meeting, the Rural Areas Development Advisory Committee expressed this same hope in one of its recommendations, which read: "Implementation of the Secretary's policy to include cooperatives more directly in the RAD program and to enlist in support of RAD the efforts, investments, and educational efforts of cooperatives."

The new policy statement, the Secretary's testimony, the increased liaison with the Cooperative Advisory Committee, and the Rural Areas Development Advisory Committee recommendation all establish broad new boundaries for cooperative action and results.

We are at a critical point for both agriculture and rural America as a whole. Wise actions can further unleash the strong resurgence in rural living that is underway. Apathy, or a stand-pat attitude, will allow a resumption of the creeping paralysis of economic decay that threatened in the previous decade to become the major trend.

Just what can we do? What are the problems to overcome? What are the broad outlines of action that cooperatives can adopt to bring new growth and new abundance to rural America?

Here are some points to consider as you map the cooperative structure of tomorrow -- points that I have heard cooperative leaders make around the country. They include:

1. Need for increased scope, both in size and in types of activity.
2. Need for better management.
3. Need for cooperation among cooperatives, and
4. Need for new services.

#### Increased Scope

The first line to blueprint in increased scope could well be greater size and volume of business for cooperatives.

A second point to consider is more diversification -- that is, taking on more of the marketing and purchasing chores of the farmer.

In both cases, I am suggesting greater acceleration of an already visible trend.

Cooperatives that have diversified report that formers find increased service through one organization more convenient. In addition, the greater volume helps spread overhead costs in what otherwise might be slack seasons, and often makes it possible to get better financing and better management talent.



I have saved the third point under increased scope for the last -- even though it may be the most important in increasing income to the farmer. I am speaking of integration.

Integration means many things to many people, but I am using it here in the sense that cooperatives should do more handling and processing of the product. I refer to assembling, processing, packing, branding, and merchandising in the marketing process, or controlling the source of the raw material, then manufacturing and distributing the supply item in the form the farmer uses it.

Cooperatives in this region are well advanced on this front. South Dakota farmers have co-op investments in flax and soybean processing plants, in oil wells and petroleum refineries, phosphate mines and fertilizer plants, feed mills and other supply processing facilities.

All these mark the beginning of what can become an even larger complex of agricultural industries in the hands of their users, the farmer. This is a trend that must be accelerated if farmers are to reduce costs and boost their income.

Often considered a member of the integration family -- but not always one in good standing -- is contract farming. Secretary Freeman said the question most often asked him in a series of farmer meetings around the country was what could be done about contract farming.

Farmers know what has happened in the broiler industry, and they see danger signs in some current contract activities in the livestock fields. They fear they will lose control of their own farming operation, and become little more than hired hands to a contractor if the trends continue. And they see difficulties in competing on a cost-price basis with the extremely large contract farming setups already present in broilers and beginning to appear in eggs and livestock.

If, however, the farmer and his neighbors own and control an integrated setup, they can profit by reduced costs and greater volume. They can spread the risks, and gain considerable bargaining and marketing strength.

#### Top Caliber Management

Under the subject of the need for top-caliber management, I want to discuss more than the quality of key employees and directors, important as they are. And you should know that the Cooperative Federal State Extension Service is initiating a major program, in cooperation with cooperatives, to hold needed workshops and management educational meetings on the role and methods of effective conduct of the responsibilities of members of boards of directors and managers of cooperatives. But we should also look into operating improvements and efficiencies, to major shifts that will give counterweight to encroaching forces on farmers' bargaining power.

A recent report by agricultural economists at the University of Missouri contains a forecast that food is going to be produced where its overall costs, from the producer to the consumer, are lowest . . . and a warning that agriculture-related industries have been leaving the midwest to be nearer heavier populated areas, partly because lending agencies don't fully understand the special problems of agricultural financing and the need for heavy investments in agri-business to compete with other regions.

These are serious projections for anyone with business roots in Midwest agriculture. They pose big jobs ahead for co-op executives and members alike -- first, to have the capacity to know what is happening, and then to show the leadership and vision necessary to keep in the farmers' hands control of the farmers' future and fortunes.

It's an educational job -- one that is never done.

In making this Midwest report one of the economists said, "I think cooperatives can carry forward an innovation and motivation program because they already have shown concern for the total picture of agriculture."

The question of improving operations also is a big one -- what with automation, highly expensive push button plants, changing organizational patterns, and the hidden wastes that lie not only in business operations but throughout the marketing and distribution systems.

Take just one example -- transportation costs. A study being conducted by Farmer Cooperative Service shows cooperatives could return at least \$1 million more to farmers each year by proper handling of grain to reduce losses. These losses average \$6 on each rail car of grain handled. They are caused by moving grain in cars that aren't properly repaired and that leak grain through cracks and holes, by shipping in dirty cars, and from other causes.

FCS also is studying barge and truck movements to check on their loss points and to suggest how they might cut down on grain losses.

The Farmers Union Grain Terminal Association recently pointed out that it spent \$40 million a year in rail movement of cash grain alone, and that it used a million tons of water and truck transportation . . . with all these freight bills coming out of the farmer's pocket, either directly or indirectly.

#### Coordinated Operations

The third side of our diagram for the future involves coordinated effort or joint action by several means, ranging all the way from mergers to consolidated pooling and selling or buying arrangements by two or more cooperatives.

USDA figures show an average of about 5 cooperative mergers a month over the past half decade, with the largest number of these in dairying and the farm supply field.

Some cooperatives merged with a stronger organization to survive. Others were small crossroads creameries or egg receiving stations who saw the handwriting on the wall and decided to combine operations with other creameries or receiving stations down the road a ways.

Recently an increasing number of larger and successful cooperatives have been merging and are already showing added benefits to farmers in greater marketing and bargaining strength.

You have a good example of this in the Farmers Union Grain Terminal Association's joint venture with the Missouri Farmers Association of Columbia, and the Illinois Grain Corporation of Chicago. These three large regionals have joined forces to buy and operate a 2-1/2 million bushel terminal elevator on the Mississippi River at St. Louis. This opens the gateway to New Orleans and other Gulf Port points.

Of particular advantage to GTA members is the fact that while the upper stretches of rivers in GTA territory are closed to shipping during the winter, the Mississippi river is open the year around below St. Louis, providing an uninterrupted schedule of river shipments from the St. Louis terminal.

Trends increasingly noticeable among cooperatives in the joint operations field are -- joint sales agencies, joint promotional and advertising campaigns, and coordinated marketing programs. I understand some studies have been made of potential benefits in this state if egg handling and marketing operations were consolidated into fewer plants.

#### Added Services

The fourth area of the future is giving the farmer more on-the-farm services he needs in order to save his time, his labor, and often his money. Services such as direct line distribution from plants to the farm, and bulk fertilizer and feed deliveries to farm bins are already prevalent, and the future will bring forth new needs for you to fill, I am sure.



The Farmers Union Central Exchange has a fairly new service that is an example of this -- the on-farm-tire-and-repair activity that some 250 of their locals now operate. These co-ops have trucks that go to the farms to sell new tires, and to make repairs and change tires, right in the field if necessary. This eliminates time-consuming trips to town for such repairs.

Direct pickup at the farm in eggs, milk, poultry for processing are examples of marketing aids.

It will take inventiveness, mobility, ingenuity, as well as sound management and increased efficiencies to operate successfully in tomorrow's co-op world.

Another thing to begin to plan for is water transportation. In a few years, there will be a 9 foot channel on the Missouri River to Yankton, S. D. What are the possibilities of moving the products of the farm to the market place and bringing back production supplies? This potential should be carefully examined now -- not after the channel is completed. Who knows? Within a few years, Mississippi or Texas cattle might be shipped to South Dakota by barge and fed out with South Dakota grain.

These then are four broad areas that cooperatives might investigate in planning their future progress -- more scope, better management, more coordination, and added service.

The time is right for breakthroughs in many areas.

This is particularly true where greater participation in the Rural Areas Development program is concerned.

RAD is a program that emphasizes the use, not idling of land, the development of rural communities, not their stagnation and decline. Its goal is a rural renaissance through new opportunities . . . ranging from on-farm recreation for pay to new industry, from improved housing to modern community water systems, from new ways to utilize what the land produces to more adequate supplies of water needed for industrial development.

All of the conservation and development activities of the Department have been placed at the disposal of local RAD leaders, to help them formulate and carry out economic development programs tailored to local needs and local resources.

I cannot overemphasize the local aspect of the RAD program. Secretary Freeman, in issuing a series of directives to place the full resources of the Department behind RAD, said local initiative and leadership would be the first consideration in investigating requests for Departmental help. He urged cooperatives, soil and water conservation districts, farmer committees, and other local organizations to provide this local leadership.

Even within the Department, the focal point is at the local level. County extension agents work with the local leaders to help them get organized, then the Department's field personnel -- the FHA supervisor, the Soil Conservation Service technician, and the ASCS representative -- join in to help local people survey their resources. This local USDA group, known as the Technical Action Panel, remains active, providing local people with information, technical and financial advice, suggesting other Federal and State agencies as sources of further help, and keeping the local group informed about what other RAD committees are doing.

In Washington, our primary job is to see to it that the TAP does its job the way it should -- to provide them with policy guidance and to recommend needed legislation to Congress, to develop support at the national level for the RAD program.

President Kennedy threw the full force of the Federal government behind local rural development efforts last month when he organized a cabinet-level Rural Development Committee, with Secretary Freeman as chairman. This Committee will provide policy guidance and leadership to all Federal agencies that can help rural people revitalize their economy.

The final goal, of course, is to make the cash registers on Main Street ring more often and more merrily.

The Department's income improvement and supply management programs for farm commodities are part of this effort. These programs, administered by farmer-elected farmer committeemen, have helped reduce surpluses, while supporting farm income. Statistics show that income per farm today is \$500 more than it was in 1960. The Department's planning and cost-sharing and conservation efforts, including the Agricultural Conservation and the Great Plains Conservation programs, in cooperation with the local soil and water conservation districts you have organized under state law have helped make this possible.

The small watershed program has been expanded to permit cost-sharing for recreational development, and a stepped up rural housing program has given rural economies a big boost. In the past 2-1/2 years, USDA has advanced more funds for rural housing than in the previous 11 years of the program's existence. In addition to the temporary construction work this has created, the housing program has developed a growing demand for lumber, for plumbing, heating and electrical equipment, for construction items such as concrete, masonry, millwork, plaster and paint, and for furniture.

We believe that in organizing new businesses to strengthen the rural economy, as many as possible of these new ventures should be cooperatives. In that way, the profits from the new business will remain in the community for further economic growth.

There are many examples of cooperative activities resulting from the RAD program -- new artificial breeding cooperatives, peach and apple growers co-ops, a wild rice harvesting association, recreation associations and others.

I would like to see many more. A man I know says he pays about \$150 a year to hunt pheasant in your State. Pheasants are one of your natural resources that eastern sportsmen hear a lot about. Is there a possibility of getting some sort of cooperative going among farmers who have good pheasant lands? They've done it in Custer County, Nebraska. Last year, more than 3,000 hunters from 28 States converged on Custer County for the three-month pheasant season, and when the gunsmoke had cleared away, it was found that each hunter spent about \$100 during his stay. This means the people collected \$300,000 from a cooperative hunting project that cost less than \$110 to operate, including the printing of a brochure that was mailed to hunters.

Cooperatives have much to offer RAD in the way of added income and more jobs. They also have another contribution to offer, one not measurable in dollars. I am speaking of the leadership of 100,000 or more farmers who each year serve on co-op boards and of the more than 200,000 co-op employees, who in the great majority, are located in rural areas. I speak also of the experience they have in group action, in working together with their neighbors -- both vital ingredients needed in the Rural Areas Development program.

One thing we all know as we look into the future -- cooperatives will surely change just as rural America and all else will change.



I have tried today to point out a few signposts that are already showing on the road ahead. The path cooperatives take will greatly influence the fate of rural America.

With energetic and inspired leadership in your own ranks, and with the support of the Department and other Federal and State agencies, you can help save and build upon our rural heritage.

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Nov. 21, 1963

U. S. DEPARTMENT OF AGRICULTURE  
NATIONAL ARCHIVES

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U. S. Department of Agriculture  
Office of the Secretary

C & R-AsF

It is good to visit again with my friends in the North Dakota Farmers Union.

It is people like you who make our job worthwhile. Without your kind of support -- without your understanding -- without your providing the well-springs of new ideas and new concepts -- the survival of the family farmer in America would be doubtful -- the prospects of a bright new future for rural America would be discouraging.

You and I -- our President and our Secretary of Agriculture all share the same bright hope for rural America and for the family farm. You have never been the Jeremiahs of agriculture -- even in the grimmest days of depression.

No -- at no time did you ever lose confidence in yourselves -- nor lose your ability to accept new challenges.

This is a quality that is desperately needed in rural America today.

The profile -- the character of rural America is changing at an accelerated pace and this change has created problems at a rate almost faster than we can cope with them -- problems that require new concepts -- new programs -- new legislative and administrative approaches.

Our task is made more difficult by those who either refuse or cannot see the problems -- or who insist on using old programs and old methods to solve them -- or those who see this period as an opportunity to destroy family-type agriculture once and for all and to exploit rural America for their own gain.

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Address by John A. Baker, Assistant Secretary of Agriculture, Annual Convention, North Dakota Farmers Union, Fargo, North Dakota, Thursday, November 21, 1963, 3:20 p.m., CST

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Perhaps the best place to start in trying to put the whole problem into proper perspective, is to ask ourselves these two questions: Where are we today in agriculture? What does the future hold for rural America?

Far too many Americans consider the family farm a dying vestige of a past era. But the National Agricultural Advisory Commission, in its recent study of the family farm, comes to an entirely different conclusion.

Using unromantic logic and hard economics, the Commission concluded that family farms are going commercial enterprises growing stronger, and not weaker, and that they are meeting "the requirements of a technological age as well as they once met the needs of settling a new country."

The question always comes up -- What is a family farm?

The Commission applied this yardstick in its study of the family farm -- The amount of hired labor.

The family farm was defined as one that does not hire more labor than the family itself provides, or about one and a half man-years on the average.

When the Commission applied this criterion, a clear picture of the dominance of the family farm emerged. In 1944, farms using less than one and a half years of hired labor accounted for 94.5 percent of all farms and they marketed 66.5 percent of all farm products sold. In 1959, these farms accounted for 95.7 percent of all farms and for 70.1 percent of all marketings.

Not nearly all our farm families, however, have adequate incomes. But more do. The Commission found that between 1949 and 1959, the number of farms with sales of \$10,000 or more a year and hiring less than one and a half man-years of work had increased 95 percent. At the same time, the Commission noted that the number of larger than family farms hiring more than one and a half man-years of work -- the factory type unit -- actually declined in number, decreasing some 3 percent in that decade.

Let me emphasize, however, that neither history nor the conditions of natural advantage necessarily guarantee the future of the family farm in the United States. I would alert you that there are forces unrelated to the efficiency of family farming which work constantly to erode its economic strength, to compress and control its markets, and to alter its independent position. For example, vertical integration, that is non-farmer controlled, contract farming and the growing dominance of the retail end of the food process -- all unrelated to the production efficiency of the family farm -- are clear and present dangers to the family farm as we know it.

The very fact that farm numbers and farm population have declined has weakened the farmers' influence.

The dwindling minority position of farmers at the polls and in Congress is in itself a matter of considerable concern to all of us -- but the problem is further compounded by the lack of unity within agriculture itself. Agriculture today has no single strong voice -- it has many voices, too many of them making the wrong sort of noise.

Farmers can still expect to get a sympathetic hearing from Congress, but more and more, farm programs must be geared to urban, consumer and taxpayer interests also. Urban Congressmen will not be united by a divided agriculture or an agriculture not attuned to the rest of the economy.

The 1964 wheat program and the subsequent referendum last May is an example of the difficulties we can get into when there is lack of unity and lack of understanding among farmers.

Now -- as you all know -- as a result of the referendum, wheat farmers may face a bleak year in 1964 unless something now not foreseen can come about.

But I can assure you this -- we have not forgotten about your problem or your urgent need for a parity income program. The problem has our highest priority. But any new wheat program must meet these criteria:

1. Provide a high level of income for the family farm.
2. Bring production in line with demand.
3. Reduce surpluses.
4. Reduce taxpayer cost.
5. Be acceptable to a majority of producers.

The second major disadvantage facing the family farm today is the precarious income situation and this must be immediately solved if farm family agriculture is to maintain its position as a vital force in rural America and if we are to prevent further and unnecessary disappearance of these farms.

The Great Simplifiers -- those who have ready simple answers to complex problems -- offer these solutions to the farm income problem:

\* Return to the free market. Permit the inexorable and ruthless law of the economic jungle to eliminate the weak and when the process of elimination has run its course, only the few strong will remain and they can cut up the same agricultural pie between themselves. Presto! the farm income problem is solved.

\* Impose a massive whole-farm non-use retirement program upon agriculture.



Turn agriculture over to the corporate integrationists -- let them control the Nation's food from the land to the stomach. Corporate integrationists, they say, can afford to produce food at cost because they can make their money on processing and distribution.

Both you and I reject any and all of these unrealistic proposals from the Great Simplifiers.

Some kind of commodity price support programs -- with parity of income as the objective -- will have to be continued for some time.

Other sources of farm income can and must be developed with new land-use programs.

In the meantime, new programs already are making a substantial improvement in farm income and in the level of economic activity of communities dependent on agriculture.

The past two years have brought higher farm income ... net farm income in 1961 was \$12.5 billion ... in 1962 it climbed to \$12.6 billion, up \$900 million from 1960.

Gross farm income increased to \$40.8 billion in 1962, up nearly \$1.2 billion from 1961 ... reflecting an increase in government payments of about \$250 million and \$1 billion in higher cash receipts resulting in part from the higher price support levels that Secretary Freeman put into effect when he took office.

Better farm income has brought a higher level of business activity which carries from the Main Street on through to the factory. The higher price support levels alone generated 200,000 new jobs in our national economy.

And farm income is being raised in ways that save rather than squander the taxpayers' money. CCC holdings of wheat and feed grains have been reduced by about one billion bushels from the peak quantities held in 1961 before the new programs were effective. This surplus reduction means a cut in taxpayers costs for carrying charges on these grains of about \$200 million for the three fiscal years 1962, 63 and 64. If steps had not been taken to reduce feed grain production and surpluses, many more hundreds of millions of dollars would have been spent in acquisition costs and carrying charges on the added production.

While the farmer has been doing better, and surplus stocks of wheat and feed grains are coming down ... the consumer continues to enjoy a bargain in food. Last year, in fact, food costs took only 19 percent of the average family income -- the lowest in history ... and far less than people in any other nation pay today or at any time in the history of the world.

In the final analysis, the ultimate and permanent answer to adequate and fair income for farm families will be assured and effective bargaining power will be wielded by farmers themselves.

This will require additional Federal enabling legislation because by the very nature of farm family agriculture, the small independent units dispersed on a nation-wide basis will need certain bargaining vehicles and devices. This concept is not new in agriculture or in industry. Milk marketing orders have been used for years in the major milksheds. The thing to do is to find and create the kind of bargaining device that is most effective for each commodity and for each section of the country.

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USDA 3838-63

But once the enabling legislation is passed and the right of effective bargaining is assured, the rest of the job is up to the farmers.

Farmers will have to cooperate among themselves, to practice self-discipline even as industry does. Production and marketing management -- which is the key to effective bargaining power -- implies discipline.

Farmer cooperatives can and must play a big role in all future farmer bargaining plans. Farm cooperatives were designed and established as bargaining devices -- either in the purchase of farm supplies or in the marketing of commodities. Farm cooperatives already have the basic know-how of farm bargaining.

Here in North Dakota and the upper Midwest, Farmers Union local and regional cooperatives have developed the cooperative idea to a high degree of effectiveness and efficiency. But there is a wide gap between what you have now and what you must have if real bargaining power is to become a reality for you.

I congratulate the Farmers Union Oil Companies and the Farmers Union Central Exchange for their magnificent and unprecedented success. In paying out last month a total of \$7.1 million in dividends in addition to the previous \$2.1 million earlier this year, Farmers Union Central Exchange set a new record for a single cooperative. Over the years, the Central Exchange has returned over \$36 million to patrons -- another record.

Certainly this proves the worth of a cooperative. It proves the economic sense of pooling your buying power.

On the marketing side, you must do the same. Your cooperatives have a tremendous potential to help you attain effective bargaining power. They are an effective self-help device -- far better than relying on the uncertain vagaries of government farm programs which constantly change with the ebb and flow of political tides.

Last April 29, in Washington, Secretary Freeman at a national conference on "Cooperatives and the Future" threw out the same challenge to co-op leaders as I have today. Farmers and their cooperatives can no longer afford the luxury of disunity -- of complacency -- of provincialism.

The third major problem threatening the position of farm families in agriculture today is the direct attacks being made, on many fronts, against the whole concept of family farm agriculture.

The attacks on your rural electric cooperatives and the whole REA program is an example of what is going on today.

The line of attack goes like this:

\* With over 98 percent of the nation's farms now electrified there is no longer any need for an REA program.

\* Farmers should not be permitted to get into the electric generating business -- this is the sacred right of private power companies.

\* Rural electric cooperatives should be restricted to serving only farmers -- not rural areas, as called for by the Rural Electrification Act.

I'd like to make a few comments about this line of attack.

First, the job of rural electrification and the need for an REA program is far from completed. As long as there is a disparity of electric rates between those paid by rural people and those paid by city people, as long as there are unserved people in our thin rural areas, then certain essential equalizers must be provided through the REA program.

One of the important equalizers is REA's authority to make generation and transmission loans.



Today, the wholesale cost of power represents 44 percent of the operating cost of our rural electric systems. As power consumption goes up -- and it is doubling every seven years to nine years -- this percentage will increase. This is one of the reasons why REA finances the building of generating plants at 2% interest rates.

Secondly, 28 years ago the Federal government offered and urged private power companies to accept low-interest REA funds to serve the farmers of the Nation with central station electric service.

They said it couldn't be done. There would be no profit in it for them even with low-interest funds. Further, they said, farmers never would use enough electricity to justify building lines out to the farms.

But the pattern of rural America has changed since 1935 when REA was started.

Now the same companies look upon the growing urban communities spreading out into the farmland -- they look at the industrial and commercial sites being built on what used to be farms -- they look at this with a covetous eye. In many areas, rural electric systems are having their territorial rights violated by those who want to skim the cream -- leaving only the isolated and sparsely populated farm areas to the cooperatives.

On another front, attempts are being made to undermine the basic structure of rural electric cooperatives -- to turn them into stock companies. The strategy of this is obvious: To make it easy and possible for farmers to lose control of their electric cooperatives and have them sold out from under them.

One of the ironies of progress is that it seems to be easier for people to mobilize themselves to work for what they haven't got than to be united in a fight to hold what they already have. The price tag of success seems to be complacency.

But there is too much at stake for farm families and in the future of rural America for complacency and indifference. This is true not only for farm families but for all America.

Nothing dramatizes more effectively the strength of the United States and the weakness of Communism than does our farm family agriculture. The recent overtures of Russia and its satellites to buy wheat are proof of this.

And when the history of this period is written, I am confident that our Food for Peace Program -- made possible only by our family farm pattern of agricultural production -- will be designated as the decisive factor in winning the war for men's minds and of persuading the emerging nations to join the free world.

The power to build -- the power to help -- the power to give -- are the most powerful ingredients of peace. It is our greatest strength.

But to continue to operate from a position of strength, we must continue to build and develop rural America.

Rural America must have a rapid economic growth if America is going to grow rapidly enough to prevent dangerously high unemployment in an era of automation and rapidly expanding labor force.

Rural America must have the will and the means to provide the outdoor recreation opportunities that are needed in increased supply by the rapidly increasing numbers of city people in the metropolitan America.

Rural America must for the benefit of all America make changes in the economic structure of its business operations and land use in order greatly to reduce the heavy burden on both taxpayers and farmers of too much land devoted annually to crop production.

Rural America is the custodian for all America of the Nation's natural resources of soil, water, forest, fish and wildlife, and open space which an increasing urban industrial society must and will preserve and improve. Rural America must expend the time, energy and treasure that will be required to protect and develop these precious national, natural resources.

Secretary Freeman and President Kennedy have set up an organizational structure designed to help local people get the job done. Congress has backed them up with new and improved and expanded legislative authorizations and needed appropriations.

Success in the wise development of the people, of the natural resources, and of the communities of rural America will depend not only on the resources that the Federal Government can provide, but also and even more importantly upon the local people, the local communities and areas, their voluntary private organizations and the use of their own resources. And local people can move forward now with complete confidence that the Federal government is fully responsive to their needs and wishes.

The current national Administration and the Congress have demonstrated this fact repeatedly in the past two years in the Rural Areas Development programs.

RAD seeks to help people make needed adjustments . . . not by forcing people in rural areas to seek better opportunity in the city . . . but by bringing new resources and better opportunity to the rural community. People should have equal job opportunities in rural areas as well as urban areas . . . and this can be done by using land, not idling it . . . by using resources in

ways that conserve, and serve the real needs of all people, new uses that people in the city want and need in greater volume, particularly outdoor recreation opportunities and open space.

Rural areas development is not new to Farmers Union people. Your members, your locals, your county, State and national organizations have been active participants these past two years. Your efforts helped enact the necessary improved legislation. Your official program has called for expansion and improvement of these programs for many years.

Here is the accounting of our results so far in terms of Federal finances and services that have been made available for the effort:

- Rural housing loans are nearly 5 times greater -- up from 40 million dollars in 1960 to 192 million in fiscal year 1963 and President Kennedy has recommended the annual ceiling be raised to 300 million per year;

- For senior citizens in rural areas, Congress in 1962 enacted broadly useful and entirely new programs of both apartment and village-type group housing as well as individual family housing loans; and over 900 have already been closed;

- Real estate loans are seven times greater this year than in 1960 up from 29 million dollars to 200 million for farm enlargement and improvement as well as to enable young marrieds and tenants to become farm owners;

- Loans to farmers for farm operating and family living expenses are up by 100 million dollars above 1960;

- As many of you will recall, Congress in 1961 enacted a complete recodification of modernization and improvement of the current credit laws administered by Farmers Home Administration. The new legislation put into law improvements along the lines of the recommendations of the Presidential Commission on Farm Credit established by your National President Jim Patton back in the middle fifties;

-- In 1962, Congress took additional action to improve and expand those rural credit programs not only by addition of the Rural Senior Citizens Housing Act I have mentioned, but also by expanding the regular farm ownership and operating credit program to cover income-producing outdoor recreation facilities and their operations, and to include fish farming in addition to the new farm forestry loan program. In 1962, Congress, also expanded the water and soil conservation program of loans to nonprofit groups of rural residents to include the costs involved in making desirable shifts in land use, including those from crops to recreation, wildlife and grazing;

-- The operation of loans for drought, flood and other emergency farm loans has been improved and streamlined;

-- Loans in connection with watershed protection and flood prevention were 50 times greater in 1963 than in 1960;

-- Rural electrification loans have been approximately doubled since 1960;

-- Loans for generation and transmission facilities are up almost four times from 89 million dollars in 1960 to 278 million dollars in 1963;

-- The volume of REA rural industrialization and power use loans is 5 times greater in 1963 than in 1960;

-- In total the volume of credit resources planned to be made available by the U. S. Department of Agriculture in 1963-64 in rural areas is almost 1 billion dollars greater than in 1960;

-- In 1962, Congress enacted a completely new program of long-term contracts to provide technical service, cost-sharing and transitional payments to farmers who make fundamental needed shifts in farm land use from crop production to recreation, fish and wildlife, grazing, and farm forests: (This cropland conversion program is just now getting underway in about 100 pilot counties, at least one in each state.);



-- The farm storage-facility loan program has been expanded and improved;

-- The agricultural conservation practices program which has meant so much to better land conservation has now been placed on a footing of permanent legislative authorization by Congress and the content of the program has been revitalized to emphasize more permanent improvements;

-- In 1962, Congress enacted an entirely new program of federal loans and service for locally-directed rural renewal projects, which is an application of the successful urban renewal project idea to eliminate the deep-seated causes of severe rural poverty in concentrated areas of low rural incomes and community standards -- exploratory work in a number of states is already underway.

-- Rural community facilities and water system loans and community facility loans and grants of the Area Redevelopment Administration and the Housing and Home Finance Agency have been greatly expanded;

-- There has been a significant increase in technical service to 1,950,000 cooperators of the 2,936 soil and water conservation districts that cover 96 percent of the privately-owned land of our Nation. Provision of technical services has been increased by 10 million dollars above 1960;

-- A planned schedule for completing surveys in and plans for all of the Nation's great river valley basins within this decade has been established

-- and as your program supports -- water and related land resource development has been placed on a comprehensive river valley basin basis;

-- Watershed protection and flood control projects have been speeded up and given new purposes -- outdoor recreation -- industrial water supply and municipal water; (New starts have increased from 39 in 1960 to 60 in 1963 -- projects completed increased from 6 to 29, almost 5 times as many -- funds available have been more than doubled.);

-- An entirely new program of Resource Conservation and Development projects has been inaugurated under the Food and Agriculture Act of 1962 -- local groups of sportsmen, boys' clubs, and other people from the city can team up with rural land owners to their mutual advantages in outdoor recreation opportunities, resource development, and higher farm incomes;

-- Improved management of national forests and grasslands has not only provided a better grade of stewardship for these natural resources, but the additional 50 million dollars of expenditures have added approximately 15,000 new nonfarm jobs in rural areas and 7,000 more in metropolitan areas;

-- Technical services and grants-in-aid to state and private forestry extending from reforestation and management of farm woodlots to fire protection and insect and disease control have been expanded by 3-1/2 million dollars from 1960 to 1963;

-- With strong help from Farmers Union, we obtained in 1963 the first appropriation increase in two decades for the expanding program of research, education and service to assist farmers' cooperatives to solve their increasing complex problems;

-- Grants from ARA funds are now available to local rural planning and development groups to obtain special technical and professional and expert advice and facts;

-- Educational and organizational assistance provided through the Cooperative Federal-State Extension Services to local rural planning and development groups has been given greater emphasis and broadened scope and application;

-- We are seeking with your help to obtain additional appropriations for expanded scientific research in economics, forestry and the physical and biological services to obtain data needed to chart out and soundly speed up the RAD effort;

-- Watershed projects, outdoor recreation developments, rural housing, rural electric power and rural telephones working together are attracting new factories and new businesses to rural America. Some obtain special needed financing from Small Business Administration, Area Redevelopment Administration and from Rural Electrification Administration where needed credit is not available from other sources;

-- In addition to these RAD services of the U. S. Department of Agriculture, other important helpful assistance to RAD efforts is also available from the Small Business Administration, the Community Facilities Administration and other agencies of the Housing and Home Finance Agency, the Interior Department, the civil works program of the Army Engineers and the agencies of the Department of Health, Education and Welfare, including the state and local vocational education departments.

Great national purposes cannot be achieved overnight nor in a single fiscal year. Some may not be fully accomplished within this decade. But a good start has been made. We must help local people speed up the rate of progress.

In our concern for better balanced land use, a better brand of conservation of soil, water, forest, wildlife and recreation values, we must not forget people are the starting point -- and the goal -- of rural areas development. In democratic area planning and development, decision-making must be widely dispersed among families, farms and firms acting through their voluntary and democratic institutions.

We in the Department of Agriculture are determined to give you all possible support as you push ahead in a vast nationwide action program for rural areas development and rural community improvement.

In area after area, we are witnessing the widespread beneficial effects of better farm income -- main street merchants are selling more goods. A new spirit of prosperity and growth is being generated in rural America -- stepped-up business activity -- more factories -- improved income -- more sales -- and improved community facilities are being built -- better teachers' salaries -- better schools -- more hospitals -- more rural communities with water and sewer systems -- better rural housing. Everywhere the evidence abounds that development in rural areas is moving faster -- everywhere is evidence that RAD efforts are paying off.

The process is self-accelerating -- the increased local funds that are being built up can be used for more new local investment. This will generate more jobs in rural America -- more employment -- more purchasing power -- still more rapid economic growth in rural areas -- more bank deposits -- more investments -- repeated launchings of better times.

The harnessing of our land and our resources with the initiative and enterprise of local people is the answer to a new and vital rural America -- a rural America where farm and other rural families can be secure and prosperous -- a rural America burgeoning with opportunities for our children.

This is no dream of impractical visionaries. The Rural Areas Development program is a here-and-now program already under way.

Indeed, history may well record that in this time of the early 1960's, we entered into a new era of rural renaissance.

As President Kennedy said last month in Grand Forks: "We seek parity for all the people in rural America" -- this has been and will continue to be our objective. With your help it will be realized.

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U.S. Department of Agriculture  
Office of the Secretary

It is a pleasure to meet with you again.

At last year's conference, you explored the problems of the disadvantaged, and contributed in a major way to the current war on poverty.

This year, you are taking a careful look at recreation. There is a relationship between your subject last year and this year's topic that can and must be turned to the advantage of the poor as well as that of all other Americans.

A high percentage of this country's poverty is found in regions of outstanding scenic beauty--areas ideally suited to outdoor recreation, such as Appalachia, the Ozarks, the Northern Lake States and parts of the South.

This paradox of poverty amid scenic splendor offers a possible starting point for helping the people of these regions to overcome their economic woes. You have heard of the growing public demand for outdoor recreation--how that demand will triple by the year 2,000--and how, even with recreation areas in our National Forests and Federal and State Parks being expanded at a record rate, they cannot be improved rapidly enough to keep up with the pyramiding demand. Every year, outdoor lovers are turning in larger numbers to play-for-pay on privately-owned land.

Americans today are enjoying a new era of prosperity. Since 1960, personal income has increased \$75 billion, or 18.5 percent, and real disposable income per family is up more than \$700 or nine percent. With more money to spend, and more leisure time, the suburbanite can now cater to his desire for outdoor recreation--to return to the country to swim, boat, fish, camp, picnic, hike, hunt, and take part in a host of other activities that only the land, its waters, its forests and its wildlife can provide.

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Address by John A. Baker, Assistant Secretary, U.S. Department of Agriculture, before the American Country Life Association, National 4-H Center, Washington, D. C., July 7, 1964, 7 p.m. (EDT).

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President Johnson has focused attention on the place of outdoor recreation in our new age of abundance when he challenged us to build a "Great Society"--a society where leisure will be welcomed because it gives us the chance to build and reflect--and the time and means for man to renew his contact with nature in the countryside.

The President has pointed out that our parks are overcrowded and our seashore overburdened. The demand for outdoor recreation has far outstripped existing facilities. This year we expect more than 135 million visits to the national forests.

We must look to the land in private ownership--the farms and ranches that make up three fourths of this Nation--for the space to camp and fish, hike and swim.

We have land available. Secretary of Agriculture Orville L. Freeman recently said that "we are able today with fewer people on fewer farms to produce more food and fiber than ever before. Each year we share three-fourths of a billion dollars worth of food at home, and nearly two billion dollars worth with other people in the world through the Food for Peace program. We export over 9 billion dollars worth for cash. And we still do not use 25 percent of our capacity in agriculture."

There are other indicators of the need for recreation development on our farms and ranches. Declining job opportunities in the country have forced rural youth to leave farms and small communities to seek employment in already over-populated urban centers. Rural unemployment is high, and so is underemployment, especially in low income farming areas.

Farmers who do not earn an adequate return from agriculture must look for alternate sources of income. Recreation beckons.

It beckons to the man on the land. But the fruits of his labor will be shared up and down the main streets of the rural communities.

Establishment of income producing recreation enterprises isn't a cure-all for the economic ills of rural America, but it will help. We know from actual case histories and economic studies that recreation as a land use can increase income, create new jobs, and boost the economy of the rural area. Many farmers are adding \$800 to \$4,000 or more a year to their total income with recreation enterprises.

For example, when Arkansas' Six Mile Creek Watershed was established, recreational use of the reservoirs was expected to be an appealing but incidental benefit. It was developed into much more than that. The reservoirs were stocked with fish. Most are open to the public without charge. Some farmers have leased the lakes on their property, sold water rights, or they charge a fee for fishing. In recent years they have collected \$8,000 from these recreational ventures. In addition, sportsmen attracted to the area have spent an estimated \$102,000 in nearby towns.

This indicates the important part recreation can play in local economic development efforts. In 1962, Secretary Freeman requested and Congress provided new legislation to better serve farmers and other rural people interested in developing recreation areas. This legislation contributes to Rural Areas Development, which is designed to help local people create new economic opportunities in rural America--to use land, not idle it--to find new uses for agricultural resources and agricultural products.

To date, two-thirds of the Nation's counties have Rural Areas Development committees at work on county and area problems. Many of these committees are promoting outdoor recreation opportunities on privately owned and public land to provide a new source of income for the farmer and rural businessman and at the same time to serve the needs of our growing urban population.

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USDA 2209-64



In the 1962 Food and Agriculture Act, Congress approved recreation loans and a pilot Cropland Conversion Program to help farmers convert land to recreation. It also expanded the Watershed Protection and Flood Prevention Act to make public recreation a purpose of watershed development, and it authorized pilot programs of Rural Renewal and Resource Conservation and Development, which, in most cases, will further recreational development as part of an overall plan of total economic improvement.

The Department made its first recreation loan early in 1963, and since that time, we have loaned nearly \$5 million to 52 rural associations and almost \$2 million to 208 farmers to help them develop a host of recreation facilities in 46 states, ranging from fishing waters and hunting preserves to vacation farms and campgrounds. For example, an Arkansas farmer got a loan to build a vacation cottage, which he rents for \$20 a week. Visitors can ride horseback, help with the farm chores, and fish and swim in a nearby stream. City residents get an opportunity to enjoy an economical vacation while the farmer supplements his income.

In Hubbard, Iowa, a USDA recreation loan enabled a local recreation club to buy 80 acres of land.

In some cases, farmers have developed a recreation business using only technical assistance from the Department. When an Ithaca, New York dairy farmer found his wife was allergic to cows, he immediately began converting to recreation with USDA technical help. His stock pond became a swimming hole, the pasture was transformed into an athletic field, and the barn converted into a store to supply campers with ice and food.

There is no doubt that recreation can be a profitable farm crop.

In North Carolina, a cotton farmer began to convert cropland to recreation in 1961, when he built a 9-hole golf course. In 1962, he had a gross income of \$14,200--\$11,000 of it from the golf course. A \$32,500 USDA loan made last year will help him expand his course to 18 holes, build a clubhouse and add other recreation facilities.

In Louisiana, two brothers got technical help to turn a marsh into a farm pond, and then they opened it to fishermen. The first year, they grossed almost \$30 an acre from the area that formerly hadn't produced enough to cover the taxes.

Catering to elk hunters is now a profitable sideline for a rancher in the Southwest. Establishing a recreation enterprise involves careful planning, new management skills, marketing problems, investments, and risks. Nevertheless, the opportunities are there.

Some communities are staking their financial future on outdoor recreation--already a \$20 billion a year business. They are developing recreation complexes that cater to every taste. For example, the Rural Areas Development Committee in Okanogan County, Washington, plans to develop a ski resort, 18-hole golf course, a convention facility, dude ranch and boating marina to make the county a year-round recreation resort. It already is one of the top fishing and hunting spots in the Northwest.

In other areas, recreation is being developed on a regional scale, like the Lincoln Hills area of southern Indiana. Local people in the Lincoln Hills have joined forces to promote historical sites connected with Abraham Lincoln's boyhood, they have pushed for highways and bridges that have opened the region to tourists, they have built scenic overlooks and picnic areas along the Ohio River, and they have distributed picture folders boosting the area as a tourist center. Their plans for the future include

a 3,300-acre multi-purpose lake for water-based recreation, the development of 13 multi-purpose watersheds to include recreational use, and to further encourage the conversion of cropland to recreation, as the Frederick Churchills are doing in Harrison County, with the help of the Cropland Conversion program.

Under this Program, farmers are eligible for adjustment payments and cost-sharing in converting row crops and small grains to recreation and other uses that benefit the public, such as timber, wildlife habitat, stream protection and conservation cover.

The Churchill farm has almost two miles of shoreline on the Big Blue River in Indiana. Churchill and his wife already have shifted about 40 of their 180 acres to boating, fishing and swimming and to pony paths. But they aren't stopping there. They plan to build a picnic and baseball area, to add longer riding trails and possibly to fix up an old house to rent to summer vacationers.

During the 1963 test period for the Cropland Conversion Program, 2,800 farmers in practically every State signed agreements to convert 129,000 acres of cropland to other income-producing uses, including recreation.

There is also a growing demand for farm vacations and Ohio is rapidly becoming a leader in this field. Fifty-three farm families in 13 Ohio counties have organized a farm vacation association to help them establish and promote the farm vacation business. This is an outgrowth of a local farm vacation association formed in 1959 by 14 farmers in two Ohio counties.

Some of the association members started their farm vacation enterprise with little or no capital investment, while others spent thousands of dollars remodeling barns as vacation cottages or developing supporting

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USDA 2209-64

recreation facilities, such as lakes for fishing and swimming, picnic areas, play areas and even, in one case, a miniature golf course. Last year, some farm vacation sites that were just being developed had no guests, and thus no income. Others grossed between \$300 and \$600, and a few reported incomes in excess of \$2,000 from the vacation enterprise.

Recreational developments do more than provide a new source of income for the farm family. They also can create new jobs, jobs that are badly needed in most rural communities. For example, the Blue Knob Ski resort near Bedford, Pennsylvania. Part of the money--for this project came from the Rural Electrification Administration's Section 5 funds. There was some criticism of the loan, yet without this financing, the ski resort might never have become a reality. Last winter, an average of 3,000 persons visited Blue Knob each weekend to ski, and they spent an estimated \$10,000 a day. Fifty-eight persons have jobs at the resort--jobs that were not there one year ago. Motel operators, sporting good stores, filling stations and other businesses up and down Main Street did a landslide business.

Recently, Secretary Freeman directed the Department to implement recommendations of the National Advisory Committee on Cooperatives. One of their recommendations was that the Department help local people make more effective use of the cooperative approach in the farm recreation field. The Committee also urged the Department to seek the help of cooperatives in working with local people to advance the economic development of areas selected for resource conservation and development projects.

In resource conservation and development areas, farmers, city people, rural communities and other groups will work together to develop recreation as part of their plan for overall economic development.

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USDA 2209-64

The Department is also expanding public recreation facilities in the National Forests as rapidly as funds permit, and we are working with sponsors of local watershed projects to develop broadly based recreation areas within watershed projects.

We built 8,700 new picnic and camping units in the National Forests in 1963, and rehabilitated 10,000 old ones. This was the greatest expansion of recreation facilities in National Forest history. But even this was not enough. Recreation visits to the National Forests soared to 123 million in 1963, a 10 million increase over 1962. Many a disappointed family was turned away from overcrowded camp sites and jammed picnic areas.

This points up something that few people recognize. That is the great potential that exists in developing private camp sites on lands that border on or are near State and Federal Parks and Forests. Pleasure-seekers may be attracted to the area by the public facility, but when they find it full, they are happy to pay for the privilege of camping on private land. There is an outstanding example of this in South Carolina. Myrtle Beach State Park, on the Atlantic Ocean, has 150 camp sites. There is a private campground with 600 campsites nearby, and it does a brisk business all summer long. Not only does it get the overflow from the State Park, but it has facilities not available in the public camping area.

As I mentioned, we also help local sponsors develop public recreation areas under the Watershed Protection and Flood Prevention Act.

In watershed projects, the Department can pay up to half the cost of developing a recreation area that is open to the public. This includes enlarging a dam to hold more water for skiing, boating, fishing and swimming as well as developing supporting recreation facilities on land



bordering or near the lake. Since these provisions went into effect last year, we have received 75 proposals from sponsors of watershed projects to include recreation developments in their projects. Of these 31 are now under construction.

Some watershed projects already offer recreational opportunities to both urban and rural people. Girl Scouts in the tri-State area around Memphis, Tenn., sold 312,000 boxes of cookies to help create a lake within their Girl Scout camp. The girls raised slightly over \$51,000 with their cookie sale. The money went to pay their share of the cost of enlarging a flood prevention dam. This created a 70-acre lake, which the girls will use for sailing, swimming, canoeing and fishing.

The city of Plain Dealing, Louisiana has developed two lakes in another watershed project for swimming, boating, water skiing, fishing and picnicking. The city owns 60 acres of land adjoining the lakes. Although Plain Dealing has a population of only 1,300, as many as 3,000 people have been attracted to the lakes in a single day.

These are a few examples of what the Department has done and is doing to help rural people to develop recreation as a wise land use that strengthens the rural economy. We have much to learn and a long way yet to go.

We must make sure that recreational development on our farms and ranches gets off in the right direction. We must bring about an awareness of conservation planning in this new and exciting field. If this new challenge is met successfully, all America will benefit and we shall have made a major contribution to the Great Society envisioned by President Johnson.

I thank you.



U. S. Department of Agriculture

Office of the Secretary

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Aug. 7, 1964  
Many organizations here have recently ripened to the age of celebrating half century and full century anniversaries.

Extension Service is having its 50th this year. Many leading U.S. cooperatives also marked their Golden anniversaries early in this decade.

The U.S. Department of Agriculture and most Land Grant Universities have doubled this mark. They reached their 100th year in the early 1960's.

Such anniversaries are, of course, a time for looking back to savor the satisfaction of accomplishments. But they should also be a time for looking forward -- a time to renew our strength and rechannel our energies, if need be.

I plan to both look back and forward tonight. First to recall accomplishments by the State and Federal institutions and agencies in the cooperative field. Second, to examine recent steps taken to give greater impetus to helping farmers ready their cooperative enterprises for the future.

Accomplishments in State Research and Education

We in the Department recognize the major contributions Extension and Land Grant colleges have made to bring cooperatives to the position they hold today. The names of many outstanding cooperative managers and leaders first appeared on Extension and college staffs.

The vision and hard work of those pioneers -- as well as of the farmers themselves -- brought many of today's cooperatives into being and set them on the path to success.

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Address by John A. Baker, Assistant Secretary, U.S. Department of Agriculture, before the American Institute of Cooperation Extension and Research Workshop, Kellogg Center, East Lansing, Michigan, Michigan State University, 7 p.m. (CDT), August 7, 1964

I speak of men like W. G. Wysor, former State college agronomist and first general manager of Southern States Cooperative at Richmond, Va. Mr. Wysor left his position with Virginia Polytechnic Institute to work with a group of farmers who were trying to get clover and alfalfa seed that would produce a crop in Virginia. Experiment station tests in Virginia, Maryland and Pennsylvania had clearly demonstrated that the only seed then being sold was unsuitable and worthless in that State.

So the farmers set up the Virginia Seed Service, made "Bud" Wysor the manager, and began to handle seed that grew in Virginia. Thus started what today has become one of the largest cooperatives in this country. Southern States now serves about 165,000 farmers over a five-State area.

I also speak of men like H. E. Babcock and Murray Lincoln. H. E. Babcock was extension director in New York. He helped found the Cooperative G. L. F. Exchange. In 1922, he became its general manager. Mr. Babcock helped build G. L. F. into one of the Nation's outstanding cooperatives. Today, this group and another great cooperative -- Eastern States Farmers Exchange -- have merged to form "Agway" -- the largest cooperative in the Northeastern part of the Nation.

Murray Lincoln moved on from being a county agent in New England to head up a regional farm supply cooperative and a large mutual insurance company in Ohio, and the worldwide cooperative of CARE.

I think also of the hundreds of county agents and other extension men who gave drive and leadership to early cooperatives.

W. M. Bost, Extension Director in Mississippi, recently said, "We are proud that history shows a long record of Cooperative Extension Service efforts directed to organizing and nurturing farmer cooperatives as they moved through some early lean years." And Mr. Bost added, "We are still happy to have a part in the organization and promotion of cooperative endeavors."

There are three ways in which colleges and experiment stations have made their substantial contributions to farmer cooperatives over the years. One -- by advice and counsel from their staffs to cooperatives. Two -- by sound findings from research they have conducted on operations and policies needed for cooperative success, and three -- by courses and training given.

They have done research on grants from cooperatives and have made other research findings readily available to these farmer businesses. Professors have taught classes on cooperatives and have written textbooks and other publications for use of cooperatives and those working with them.

Your research and teaching staffs have met with USDA's Farmer Cooperative Service in a number of conferences in recent years to discuss teaching programs under way and to plot guidelines for the future.

And, of course, for many years now you have had workshops on cooperatives similar to this one held just ahead of the American Institute of Cooperation. Thus as we look back, we see many high marks in cooperative history made possible by extension, college research and education. This is a natural development stemming from a common kinship of service to the same people -- the farmers.

#### Recent Actions of USDA

But this history of past accomplishments can be only a prelude to what all of us must do tomorrow to be of even greater help to farmers and other rural residents. As you have helped solve problems of agricultural production and abundance, you have seen new problems arise for the people of rural America -- problems of operating in a more difficult market structure and of lagging income as compared to other segments of our economy.

Knowing how cooperatives have helped farmers in the past, Secretary Freeman repeatedly urged that cooperatives be strengthened to bolster farmer bargaining power and to help retain our system of family farms.



It was just one year ago at the Nebraska meeting of the American Institute of Cooperation that the Department announced a major statement of cooperative policy. This new policy updated the traditionally close relationship of the Department to cooperatives.

Issuing the statement was but the first step to strengthen the Department's work with cooperatives. Since then, Department officials and the Cooperative Advisory Committee -- composed of representatives of the six national cooperative organizations -- have met frequently.

The Committee has explored each agency's program in depth with its top personnel. We have been looking for ways cooperatives can buttress Department programs and for appropriate ways in which agencies can extend greater help to farmers. The latter often is through their cooperatives.

The Committee has brought to bear on these problems the combined thinking of representatives of all types of rural cooperatives in this country. In May of this year, after months of discussion and deliberation, the Committee presented its recommendations to the Secretary.

Since your primary interests are research and extension, I will re-state the Committee's recommendations along these lines.

#### Research Recommendations

The Committee pointed out that only a minute percentage of USDA and Experiment Station dollars go to research projects that are specifically cooperative,

The report thus suggested that Extension, Universities, and Experiment Stations should give more emphasis to research and educational work with cooperative particularly on local and State problems. This would then allow Farmer Cooperative Service to do more basic studies on cooperative problems of broad regional and national interest.

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The report also suggested close coordination and teamwork on research between the States and USDA, particularly with Farmer Cooperative Service.

It suggested that universities, banks for cooperatives, State cooperative councils and others organize joint committees to help plan, coordinate and integrate activities over more than one State. The report used the Tri-State Committee on Cooperatives composed of these organizations in Mississippi, Alabama, and Louisiana as an example of what can be done.

The Committee pointed out that 21 Experiment Stations had a total of only 26 active economic research projects relating specifically to cooperatives. The report suggested adequate funds should be provided for regional research projects. It added that all disciplines necessary to the success of such projects should be brought together in a team approach.

The Committee also recommended that research workers be employed who have new ideas and who are anxious to work on new research that will help producers improve market structures and enhance the bargaining power of farmers through cooperatives.

It also pointed to the urgent need for research to help cooperatives federate or coordinate on a regionwide or Nationwide basis. This would enhance the cooperatives' bargaining power and thus return more dollars to the farmer. The report emphasized that there are millions of producers and that they must deal with only a relatively few buyers who control the flow of food to the consumer.

#### Extension Recommendations

In its recommendations relating to Extension Service, the Committee recognized that no single institution had more to do with the beginning of cooperatives in the United States than this Service.

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But it went on to point out that the generation of county agents and specialists that helped start these cooperatives is gone. In many States, the report said, cooperative leaders and Extension are not working as closely together as they once did.

The Committee made a number of suggestions for Extension Service. Among these were:

1. That all county and State Extension personnel periodically take a brief refresher course to bring them up to date on cooperatives.
2. That each State Extension staff hire at least one cooperative specialist, and that all Extension specialists be oriented to the possibilities of cooperative operations in their respective fields.
3. That future county agents and home agents should have at least one course in cooperatives in college. Those now on the job would be encouraged to enroll in summer courses to become better informed about co-ops.
4. That the Federal Extension employ at least one full-time cooperative specialist, and preferably two, to serve each of their four regions.
5. That Federal Extension coordinate closely with Farmer Cooperative Service to have Extension workers take care of more of the local or interstate problems. Extension workers would call on Farmer Cooperative Service when needed.

Other suggestions included were that each State Extension office issue a policy statement on cooperatives for use of its own staff -- that State staffs increase their cooperative work with youth groups -- and that they provide background material to Extension personnel so they can better discuss cooperatives at meetings.

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Legislative Authority

Federal efforts to help farmers with cooperatives trace back to the early days of the Department of Agriculture. It was nearly 40 years ago that Congress passed the Cooperative Marketing Act of 1926. This Act directed USDA to promote the knowledge of cooperative principles and practices. It is the Act under which Farmer Cooperative Service operates today, and it provides the basic guidelines for Federal policies on cooperatives. However, it merely formalized activities and programs the Department had carried out almost from its beginning.

The Department's 1963 policy statement, the study by the Cooperative Advisory Committee, and the decision to implement its recommendations are the latest steps reflecting the Federal policy to strengthen cooperatives.

Threshold for Closer Teamwork

This then is where we stand today -- at what I hope is the threshold for closer teamwork and intensified efforts on all our parts.

It is imperative that farmers in this country find ways to correct the economic imbalance under which they live and operate.

The need is imperative also to bring a measure of hope for the future health of our family-owned farms and of the communities dependent upon them.

We firmly believe cooperatives can be a major tool in alleviating the disadvantageous economic position of rural America.

Agriculture is moving faster and faster. Our farmers are having to move evermore swiftly to keep up with the continuing changes they must make in their agricultural enterprises.

Changes outside of farming are crowding in on them just as fast. Competitive pressures are forcing them to produce and market efficiently, or fail. Farmers today need a package of services. Less and less are they customers for specific items.

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It is here that cooperatives can be of great service -- with hired management assuming a share of the responsibility for keeping abreast of economic development and for finding ways for groups of farmers joined together into one cooperative to operate in an increasingly complex business structure.

But the leadership in cooperatives, the top management, also find changes crowding in on them. This is why we all must intensify our efforts.

A recent statement by Roy M. Kottman, Dean of Agriculture at Ohio State University, highlights this point. He said, and I quote: "The facts are that we have mechanized and we have specialized and today a great deal of agriculture is off the farm. A part of it is in the feed mill and in the laboratory which backs up the feed mill. A part of it is in the industrial plants which manufacture tractors, fertilizers, pesticides, weedicides, and all of the other inputs of modern farm production."

Dean Kottman added: "A part of today's agriculture can be found in the laboratories of our universities and experiment stations. A significant part of it is in the educational program of our Extension Service."

And he concluded: "Hardly a day goes by when I don't receive a call from one group or another of our agribusiness complex in Ohio expressing a need for more educational help from our Extension Service."

This also brings me to another point. The demands on all of us are great. Some choices have to be made every day -- with the focus shifting to the jobs of greatest urgency.

I see work with cooperatives as one of great urgency. By strengthening cooperatives, we help farmers maintain and improve the income of their families, we stimulate the economy of the community and area that the active and well-managed cooperatives serve, and we contribute to the strength of our Nation.

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Secretary Freeman recently said that poverty remains a way of life for too many people in rural as well as in urban areas. He saw his challenge as Secretary of Agriculture to see that life in the country should match the city in opportunity and gracious living.

We are asking your help in redirecting as much of your efforts as you can to transform the miracle of abundance you helped bring forth on our farms into a corresponding miracle of prosperity for rural America.

This will mean some advance-guard work, some research into new frontiers of service for cooperatives.

It will mean added research and education to accelerate effective mergers and consolidations, thus reducing the farmers' costs for running the cooperative businesses.

It will mean taking on added steps of processing, manufacturing, marketing and merchandising, or setting up local processing centers.

It may mean helping farmers operate on a cooperative basis to transport their products more economically, to harvest their crops, to pool the purchase and use of expensive machinery, to do more on-the-farm chores, or to provide business management service to individual farmers.

It can mean looking for new ways to produce farm income. For example, the University of Missouri recently published an excellent study of the income potential for various kinds of farm recreational enterprises in the State. Ohio farmers already have one of the first successful farm vacation cooperatives. Recreation offers one way to make better use of the land and its resources than producing crops we can't use.

The early-day leaders of cooperatives -- in USDA, extension and colleges, and the farmers themselves -- had daring. They were hardy in mind and spirit. They often tackled the impossible, partly out of desperation, I suspect.

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I believe we can be just as daring -- and as productive of results.

I read the other day that the art of progress is to preserve order amid change and to preserve change amid order. Research and extension can be twin handmaidens in preserving both order and change, whichever the times demand.

Now may well be the time for change -- a refocusing of some of our work with farmers and for farmers. Now that we have learned to produce with such abundance, we need to concentrate on how to make this abundance work for the farmer and other rural people instead of against them.

You have a legacy that extends back 50 and 100 years. Today's bounty has come in large part from your original research and educational work. We in the Department believe you are equal to the future task of helping farmers use their cooperatives wisely and efficiently to make this abundance beneficial to the people of rural America.

That is why the Cooperative Advisory Committee and the Department are asking for more teamwork and renewed effort from you in helping farmers fashion more effective cooperatives.

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It is a real privilege to attend again an annual convention of the Arkansas Farmers Union. Besides the satisfaction of renewing old friendships and making new ones, I get a special kind of lift from a meeting like this where farm people join forces to seek ways of making their communities, State and country better.

Farmers Union stands as a champion of the family farm, one of America's greatest assets. Without your unfaltering support, this great rural institution would indeed face an uncertain future.

During the next few minutes, I invite you to explore with me some of the changes that have been taking place in our rural areas, the problems and the opportunities that stem from these changes, and how rural people can employ their own resources -- with some assistance from Government -- to help make their communities better places in which to live.

Two problems stand out as requiring concerted action. First, despite recent gains, the farmer is still plagued by a cost-price squeeze. Second, many of our rural people, like many urban dwellers, are engulfed in poverty and unable to extricate themselves. The opportunities for education, jobs and public services in rural areas lag behind those available to most cities.

In varying degrees the standards of living in rural areas throughout history have trailed those in the cities. But they need to no longer. With advanced technology in agriculture, coupled with rural electrification, telephones, all-weather roads and a conviction that a lag by one segment of the economy is a drag on all, we have for the first time the raw materials for doing something about rural problems.

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Address by John A. Baker, Assistant Secretary of Agriculture, at the Annual Convention of the Arkansas Farmers Union, Marion Hotel, Little Rock, Arkansas, August 11, 1964, Noon (CDT).



To view these rural problems in perspective, it is well to look back a few years to see what has been taking place in the rural areas. On the farm a technological revolution paralleling that in our urban centers has been going on. The use of improved crop varieties, more fertilizer, more labor-saving electric power and farm machinery, together with improved farm management, has brought an unprecedented production explosion.

Substitution of power and mechanization for muscle power brought about an upsurge in the output per man. This fantastic abundance was undreamed of in the pre-World War II days. For the nonfarm population, it has meant more and better food in the market basket at relatively lower prices -- less than 19 percent of take-home pay, lower than ever before in the history of mankind.

Some people appear to think that most farmers are in clover. But the fact is that over the years net farm income has not kept pace with farm production. In spite of the 18 percent increase in net income per farm since 1960, the per capita income of farm people still is only about 60 percent of that of nonfarm people.

Because the farmer is industry's best customer, the entire Nation has a stake in his welfare. We must help him help himself to attain better returns for the abundance of food and fiber he is producing.

A few people believe the way to solve the problems of agriculture is to do nothing -- just get the Government out of the farm picture and let the ruthless law of supply and demand take over. If the farmer can't stand the pressure, they say, let him sell out and go to the city.

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Recently we have seen some ugly advertising that uses such terms as "the myth of the family-sized farm." The inference seems to be, "Let the corporations do the job; it's more efficient that way."

You and I know that where members of a farm family work side-by-side, with their own money and their own future at stake, they are going to put more interest, more planning and more energy into an enterprise than any absentee owner-producer. Family farming has proved not only an efficient means of production but a wholesome way of life. Our rural communities have turned out a quality of citizenship that has proved a great stabilizing force in this democracy.

At a time when the world is divided into two camps in a gigantic economic and ideological struggle, we cannot afford a sagging rural economy that forces rural people into the cities. We cannot afford a weakening of our social, political and spiritual fiber that comes with the disappearance of our rural institutions.

Rather than to let the laws of the jungle operate in agriculture and the rural community, a wiser course is to take this miracle of abundance that the farmer has produced and use it to the benefit of all. We can build a better and stronger America without depopulating the countryside.

President Johnson describes the challenge of abundance as an opportunity to attain the Great Society. In an address to a University of Michigan graduating class, he said, "The challenge of the next half century is whether we have the wisdom to use our wealth to enrich and elevate our national life -- and to advance the quality of American civilization."

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The attainment of the Great Society will not come from any magic formula or Aladdin's lamp. It can only be built step-by-step, farm-by-farm, project-by-project, community-by-community throughout the country. It will require imaginative leadership. It will require financing and in some cases it will require Government assistance. Above all, it will require the commitment of the will, the energy and the resources of local people working together in their own communities.

Secretary of Agriculture Orville L. Freeman and your National President, Jim Patton, have been inviting the attention of world leaders to the promising potentialities and perplexing problems of this new age of abundance.

The revolution of abundance for several years has been releasing hundreds of millions of man-hours of talent and energy no longer needed to do manual labor and routine chores. Our society cannot go forward on a base of idle hands and idle acres. A way must be found to employ both, not only in the war on frustration and privation, but also in the attainment of a new dimension in living standards. Truly we have the natural resources, the mechanisms and organization technique and the leadership to launch the Great Society -- and with it to hasten the unfolding of the rural renaissance that is now underway.

As an individual, the ruralist -- whether he is a farmer, laborer or owner of a small business -- is unable to cope with some of the problems that surround him. Group action is necessary. That is one place where cooperatives can play a role.

The role of cooperatives in the past in such fields as electricity, telephones, purchasing, marketing and processing is well known. There are, it seems to me, several jobs that cooperatives can do to give more help to the farmer. One of them is in the field of public relations.

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The public knows little about how much time, cash and sweat the farmer puts into the economy and how little he gets back in return. I don't think the problem is one of studied hostility. Rather it is a case of information lag. The men in the mines, the mills, the plants and the refineries are oblivious to the fact that the farmer frequently is their basic customer. This is a story that should be told and retold. Cooperatives, by telling the public the facts about the farmer's role, can build a solid foundation for economic health in the rural community. Without this indispensable underpinning, the family farm has no assurance that it will survive.

Many of you are members of cooperatives of various kinds. You know that they have given the farmer more muscle power. The rural electric cooperatives provide an excellent object lesson in the potentialities of working together. Before 1935, when the REA program was established, a farmer sometimes had to pay \$1,000 or more to get a half-mile extension to his place. On top of this, he paid exorbitant rates for the electric energy he consumed. It ran as high as 15 cents a kilowatt-hour -- or even higher. Last year members of rural electric systems financed by REA paid an average of 2.25 cents per kwh for electricity.

This muscle power, effected through cooperation, also benefited farmers not served by rural electric cooperatives because construction charges were, for the most part, eliminated and rates went down. When the cooperatives could not purchase power at reasonable rates, they organized large power generation and transmission federations and, likewise, the wholesale rates went down.

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REA-financed cooperatives have gone a long way toward giving rural people parity. While much remains to be done, their work demonstrates the effectiveness of cooperatives. REA borrowers generate only about one percent of the power produced in the United States and distribute only four percent of it. Yet they show that where there is good management, close cooperation and volume, coupled with Government technical assistance and credit, cooperatives can help the farmer meet problems he would be helpless to solve working individually.

I can assure you that the Department of Agriculture will work with farmers in building strong cooperatives. As you know, the Department was directed by the Cooperative Marketing Act to gather, interpret and disseminate information that would promote the knowledge of cooperative principles and practices.

In May, Secretary Freeman directed the Department to implement recommendations of the National Advisory Committee on Cooperatives designed to encourage even greater teamwork between USDA and the Nation's farmer-owned cooperatives. A key recommendation of the Committee was creation of a task force to explore the possibilities of "increasing the farmer's muscle in the marketplace."

We believe that helping cooperatives so that they in turn can help farmers maintain and improve their incomes will add strength to the entire Nation. Cooperatives are private businesses and if they are aggressive and well-managed, they can contribute just as much as other free enterprises toward the general prosperity.

The family farm, the rural community and the small town scattered over the length and breadth of the land have served this Nation well. As a foundation for the personal liberties, the vigorous enterprise and the noble national conscience, they have helped make this Country the showplace of the world. Surely as a Nation we cannot afford to permit this foundation to crumble.

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There is an unprecedented challenge for all people, town and country, city and urban, to join hands to revitalize and strengthen the rural communities. As rural leaders you have your work cut out for you to enlist the cooperation of all and to encourage the despairing or faint of heart.

Rebuilding rural America is a people's program, conceived, initiated and carried out by local people with the assistance of Federal and State governments and of State educational institutions.

We in Washington have mobilized the technical and financial resources available in the Department to stimulate and encourage the nationwide effort to bolster the rural community. This effort is aimed at helping rural people utilize the products, manpower, land and other resources made available by the revolution of abundance.

If we can direct the liberated energies and resources of our people into rebuilding of our decaying rural communities, the possibilities for achievement will be limitless.

I cannot begin to describe all the opportunities that are open for Rural Areas Development, which we call RAD. With assistance from REA's RAD staff, rural electric and telephone borrowers have helped launch 16,000 industrial and community development projects employing more than 100,000 people.

The assistance was mainly in the form of credit-finding and technical advice. Most of the financing came from private sources. A small part, not available through commercial channels, came from such agencies as the Area Redevelopment Administration, Small Business Administration, the Farmers Home Administration, and in some instances -- where the purposes related to rural electrification -- from REA.

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These projects included food and fiber processing, marketing, general industry and business, forestry products, public facilities, hospitals, housing for the elderly, and outdoor recreation.

If any one is inclined to look over his glasses when recreation is mentioned as a cash farm crop, we can point to numerous projects where idle acres and idle hands have been put to work, and profitably, in meeting the ever-growing recreational needs of city people.

We have just completed a survey of the use of private lands for recreation by various organizations. It shows that more than 51,800 organized groups with a total membership of 8.9 million already have leases or permits to use some 39 million acres of privately owned land for outdoor recreation.

Several Department agencies are helping farmers interested in recreational development. The Soil Conservation Service can provide both technical and financial aid to local sponsors for the development of watershed projects for wildlife and recreation. It can also assist individuals and groups with technical help in developing recreational facilities.

Farmers Home Administration, in addition to its better-known tenant-purchase and rehabilitation loans, can also make loans to the farmer for income producing facilities for recreation.

Recreation is just one of the many types of projects that offer means of converting idle manpower and land into uses that meet the needs of our people.

The Department's Rural Housing Program last year provided 20,000 loans for a total of \$186 million as a step toward erasing rural slums. The demand would easily have supported an insured loan program twice this size to help rural families build and repair homes.

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Since this housing program began in 1949, some \$680 million has been loaned, creating an estimated 163,000 man-years of employment and a market for a billion board feet of lumber and \$340 million worth of materials and supplies. With losses running less than 2/100 of 1 percent, it can be readily seen that rural housing is a sound program.

The Agricultural Stabilization and Conservation Service also provides a means of meeting the immediate and long-time requirements of our people. In 1963 this agency made available to farmers \$220 million. This, coupled with investments in materials and services by farmers, brought the sums channeled into ACP practices to nearly a half billion dollars.

Through the nationwide ACP program, some two million farmers and ranchers have applied vital soil, water, woodland and wildlife conservation measures to their land since 1960. With the encouragement and help of local farmer-committeemen, some 300,000 in the past two years have started systematic conservation practices for the first time.

ACP attacks poverty and strengthens the economic base by helping shift land to needed uses, by improving the productivity of land for present and future generations, by reducing flood and drought disasters, by providing an adequate supply of water for farm and industrial use and by developing a large market for conservation goods and services.

Combined with the work of the soil conservation districts through the Small Watershed Program, ACP demonstrates that conservation is a creative process for building the strength of our Nation that we have only begun to employ. In this fiscal year we expect to help some 1,800 local organizations develop land and water resources on 36 million acres. This will involve 4.1 million persons in 606 projects. The benefits to the Nation are limitless.

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In the past  $3\frac{1}{2}$  years we have moved from a recession into the longest and strongest peacetime expansion of the 20th Century, and we have done it with a remarkable record of price stability.

....We have had the largest tax cut in history, pumping some \$10 billion into the economy.

....Our unemployment is down to the lowest point in 7 years.

....Employment is at a record 71.7 million.

....Our Gross National Product has increased 22 percent in 3 years.

....Industrial production is up 25 percent since 1960.

....Disposable personal income is up 18 percent, corporate profits before taxes are up 45 percent, wages and salaries are up 19 percent.

....Net income per farm was up 18 percent in 1963, or \$543, over 1960. Farmers over the past three years have earned \$8.4 billion more in gross income and over  $\$2\frac{1}{2}$  billion more in net income than if 1960 prices and income had prevailed.

This incidentally, has meant 200,000 new jobs in stores and factories throughout the land.

These striking gains have come from aggressive farm and business management backed and encouraged by realistic Administration policies. We in the Department of Agriculture naturally take pride in having had a part in framing and carrying out some of these policies.

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We are pleased but not satisfied. Good though our progress has been, it is only beginning to meet the needs of the American people. A great deal remains to be done.

In today's world there is no room in rural America for poverty, unemployment, underemployment or unfulfilled needs.

You and the millions like you across this great land can bring new and fuller meaning to the old traditions of neighborliness. You can banish the scourge of racial discrimination. You can supplant despair with hope.

President Johnson, in contrasting depression days with the great opportunities of today, said, "Franklin Roosevelt fought fear -- now we seek to realize promise."

You in the Arkansas Farmers Union are the kind of people who are seeking to realize promise -- promise of a better tomorrow for rural Arkansas, for all Americans.

Thank you.

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Oct 22, 1964  
It is indeed a pleasure to be here.

Something written by Secretary of Labor Willard Wirtz eloquently expresses the thought I would like to emphasize here tonight.

"America," he wrote, "is like Gulliver in Lilliput -- a giant held down by a mass of small doubts and restrictions, needing only to exert the strength of its convictions to realize its full potential."

We shook off our doubts and struck out forcefully four years ago on a new economic course. Now we are realizing how great our potential for economic expansion is.

#### Unprecedented Prosperity

Every time we take the nation's economic pulsebeat, we find it is stronger.

Our economy is growing at an average annual rate of five percent in real output.

Americans are earning \$86 billion more a year -- or an extra \$300 for every man, woman, and child in the United States.

Four million new jobs have been created.

Unemployment is at its lowest level in nearly a decade.

Net income per farm is up 18 percent for the country as a whole.

Here in North Carolina, gross farm income has increased \$100 million. This means nearly \$1,000 in added income for each North Carolina farmer.

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Address by John A. Baker, Assistant Secretary, U.S. Department of Agriculture, at 36th Annual Convention, North Carolina State Grange, Asheville, North Carolina, October 22, 1964, 6:30 p.m. (EST).

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THE HISTORY OF THE

REPUBLIC OF THE UNITED STATES OF AMERICA

FROM THE FIRST SETTLEMENTS TO THE PRESENT

BY JAMES H. HARRIS

NEW YORK: THE CENTURY CO. 1917

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### The Great Society

Now, President Johnson is urging us once again to cast aside our doubts, and exert the strength of our convictions by pursuing a course we know to be right.

He has asked us to put our unprecedented wealth to work to build a society where man's standard of living will match the marvel of his productivity.

He has challenged us to use our wealth to eliminate poverty . . . to use it to make our cities centers of gracious living . . . to use it to revitalize our countryside and protect its beauty . . . and to use it to assure every child the opportunity of obtaining an education of the highest quality.

In short, he has challenged us to build a Great Society for every man, woman, and child in the United States . . . to build it in every community -- urban and rural -- in every state.

### Rural Renaissance in the Great Society

All of us here are deeply committed by our leanings and our life's work to the betterment of rural America. Therefore we have a responsibility to assume leadership in the growing movement to lift rural America, to lift all of civilization to a new and higher plane of creative living. If you are not already involved in these efforts, I urge you to become involved.

All the highly developed, highly industrialized democratic nations of the free world are climbing toward a new, more advanced stage of civilization.

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The growing move to rebuild and recapitalize rural America is part of a groundswell that will sweep this country to the higher plane of living envisioned by the President.

The Department of Agriculture stands ready to help. We have developed a program that is geared to the great changes taking place on the farm and in the towns and small cities of rural America -- a program that funnels financial and technical resources into areas of need.

This new policy for rural America embodies a three-dimensional approach. The three dimensions are:

- (1) commodity programs,
- (2) consumer programs, and
- (3) community development programs.

These interrelated programs provide a sound approach for dealing with the problems created by rapid change.

#### Commodity Programs

I wish to focus primarily on the commodity and community development programs. In so doing, I do not in any sense downgrade the consumer activities.

Commodity programs are designed to meet the needs of the family farmers operating on a commercial scale.

Our experience with commodity programs as an instrument to maintain farm prices in a period of rapidly escalating productivity and relative peace and prosperity began about 1953, when eight years experimentation with the sliding scale proved disastrous..

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For each commodity we do have the same goal. That is, to provide farmers with increased take-home pay while assuring all consumers of quality food, fiber and other farm products at reasonable prices. Our goal is parity of income for the family farmer.

How effective are these programs?

Let's take a look at some of the commodity programs that are of particular importance in North Carolina.

### Tobacco

In areas where tobacco is important, it is really important. And in North Carolina, you grow more than one-fourth of the flue cured tobacco in the world. Flue cured and burley tobacco sales account for nearly one-half of North Carolina's agricultural income.

Our tobacco program has been very successful over the years. It has been an example we could point to . . . of producers, the industry, and the Government working together to the advantage of everyone concerned.

But to get specific -- how has the government's tobacco program helped the flue-cured tobacco farmer who started with a 10-acre allotment in 1940 when the acreage program went into effect?

On 10 acres in 1940 -- with an average yield and at prevailing prices -- the farmer received just under \$1,700.

Last year, with his 10-acres adjusted to an allotment of 7.9 acres, this same farmer received in excess of \$9,000 -- or more than five times what he got for his 1940 crop. This is based on the average price and average production per acre for both years.

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*Journal of Management Education* 30(6)

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At the present time, we have some difficult problems in tobacco. A pressing one is the mounting supplies under pressure from successive record-breaking yields per acre. The Department is working with the many groups who have a vital stake in the welfare of the tobacco industry to make programs more effective. The National Tobacco Industry Advisory Committee is being reconstituted to review existing programs and to seek proposals to continue to assure stable supplies and favorable prices to producers. I am confident tobacco's problems can be solved . . . with vigorous efforts to improve quality . . . to make our export programs more effective . . . and to bring supplies into better balance.

(more)

USDA 3536-64





Cotton

In the field of cotton, we have a new program that will enable U. S. textile mills to obtain American cotton at the world price.

We estimate this new legislation will add about \$90 million to North Carolina's economy this year. It also will help cotton farmers by increasing cotton consumption.

One of the first decisions made by Orville Freeman when he became Secretary of Agriculture was to raise the price support level on cotton from a scheduled 28.66 cents for the 1961 crop to a level to 33.04 cents ... and this meant a difference of over \$300 million to cotton growers for the 1961 crop alone. Last year, North Carolina cotton farmers sold their crop for \$57.5 million, a \$17 million increase over the 1960 level.

Peanuts

Peanuts are another important crop in North Carolina. Secretary Freeman increased the price support for peanuts and also eliminated the requirement that farmers pay for the grading of peanuts. This elimination of the grading requirement in effect increased the return to farmers an extra \$9 a ton.

Aggressive Export Efforts Help

A consumer activity that is directly related to our efforts to increase the farmer's take home pay is our foreign export activity.

In the fiscal year ended June 30th, agricultural exports reached a record \$6.1 billion. This represents by far the largest agricultural export operation ever carried out by any nation in a single year in the history of the world. And very important, practically all of this increase was in dollar sales.

North Carolina's share of this export market was in excess of a quarter of a million dollars!

The first part of the paper is devoted to the study of the

properties of the function  $f(x)$  defined by

the equation  $f(x) = \int_0^x f(t) dt$  for  $x \in [0, 1]$ .

It is shown that  $f(x)$  is a continuous function on  $[0, 1]$  and

that  $f(0) = 0$  and  $f(1) = 1$ .

It is also shown that  $f(x)$  is a strictly increasing function

on  $[0, 1]$  and that  $f(x) < x$  for  $x \in (0, 1)$ .

Finally, it is shown that  $f(x)$  is a concave function on  $[0, 1]$ .

The second part of the paper is devoted to the study of the

properties of the function  $g(x)$  defined by

the equation  $g(x) = \int_0^x g(t) dt$  for  $x \in [0, 1]$ .

It is shown that

$g(x)$  is a continuous function on  $[0, 1]$  and that

$g(0) = 0$  and  $g(1) = 1$ .

It is also shown that  $g(x)$  is a strictly increasing function

on  $[0, 1]$  and that  $g(x) < x$  for  $x \in (0, 1)$ .

Finally, it is shown that  $g(x)$  is a concave function on  $[0, 1]$ .

The third part of the paper is devoted to the study of the

properties of the function  $h(x)$  defined by

the equation  $h(x) = \int_0^x h(t) dt$  for  $x \in [0, 1]$ .

It is shown that  $h(x)$  is a continuous function on  $[0, 1]$  and

that  $h(0) = 0$  and  $h(1) = 1$ .

It is also shown that  $h(x)$  is a strictly increasing function

on  $[0, 1]$  and that  $h(x) < x$  for  $x \in (0, 1)$ .

Finally, it is shown that  $h(x)$  is a concave function on  $[0, 1]$ .

This record did not just happen. It is the result of an aggressive market development program. This program was supported and spearheaded by the Administration, and it involved the teamwork of thousands of people in government and industry.

One example of the Administration's efforts in behalf of farm exports involves the so-called "chicken war" with the European Common Market. Germany, under Common Market regulations, tripled its import duties on frozen chicken and cut severely into our profitable broiler market there.

With the backing of our poultry industry, we fought back with market promotional work and reluctantly, but firmly, we raised duties on certain selected items the Germans sell in our market. Recently, Germany lowered import duties on certain poultry parts to near their former levels, and now our poultry exports are reviving.

U. S. tobacco exports last fiscal year were up 23 percent from the level of four years ago. Exports of both burley and flue-cured -- so important in this State -- showed increases. Burley export sales totaled nearly \$35 million in fiscal 1964, up \$7 million in four years, and flue-cured sales to foreign countries reached \$347 million, an increase of \$70 million since 1960.

In addition to pushing an aggressive campaign to expand sales in existing dollar markets abroad, our Food for Peace program is helping build future cash markets for U. S. agricultural products in the less developed nations of the world. This is an extra bonus from a great humanitarian effort.

Since agriculture is the nation's biggest industry, and by far the largest single source of jobs in rural America, strong, workable commodity programs coupled with effective market promotion are an important part of any effort to revitalize the rural economy.

Important as they are, however, they cannot do the job alone.

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### Rural Areas Development

Therefore we are giving stronger emphasis than ever before to community development programs. The creation of new jobs in rural areas...the development of outdoor recreation for pay...the war on poverty...all are involved in this.

The Department of Agriculture has been responding to local community development needs for some time -- through Extension, the Farmers Home Administration, the Rural Electrification Administration, conservation and other programs. Over the past three and a half years we have intensified these beginnings to help rural people everywhere inject new life and new vigor into their economy. We refer to this effort as Rural Areas Development.

Rural Areas Development...the Community Action Program authorized in the war on poverty...the Area Redevelopment program...all are part of the economic development package that rural people can use to attract new industry, to develop new housing, new community facilities, new schools, new hospitals, and new recreation areas.

We have the wealth to build the kind of communities we all desire. Like Gulliver, we need only exert ourselves to realize our potential.

In the past three and a half years, local Rural Areas Development committees have created more than 212,000 new jobs in rural areas. In one case, a small Kentucky community of 650 people landed a \$50 million aluminum plant providing more jobs than the town has people. Certainly they did not bow to doubts and restrictive thinking. Of course, not every rural town can get a new industry. There are not that many to go around. But you never know what you can do until you try.

The challenge you and I face is to help the people of rural America develop new and profitable uses for the resources of their area.

10/10/1918

10/10/1918. The day was very fine and the weather was  
 very warm. I went for a walk in the park and saw  
 many beautiful flowers. The children were playing  
 in the sandpit and the dogs were running about.

10/11/1918. The day was very fine and the weather was  
 very warm. I went for a walk in the park and saw  
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 in the sandpit and the dogs were running about.

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 many beautiful flowers. The children were playing  
 in the sandpit and the dogs were running about.

It means helping the farmer harvest something besides food and fiber from his land...perhaps to use it for recreation that may pay as well or better than crop production.

It means helping rural people obtain new industry.

It means building water and sewage facilities, airports, new roads and highways and other public facilities the community needs to compete for industry and commerce...and the jobs they bring.

It means providing financial resources to build modern, new homes for senior citizens as well as young people...for this too creates new jobs and expands the demand for consumer products.

The war on poverty, or Economic Opportunity legislation, will help local people upgrade their skills and put their great abilities to work, just as the rural development and area redevelopment programs help improve the economic and physical resources.

#### Cooperatives

An important tool that local people can use in rebuilding their economy is the cooperative. Farmers already know how helpful cooperatives can be. They provide the "muscle in the market place" which the individual farmer lacks.

Rural people can use the cooperative approach to solve some of the problems that surround them. For example, they can form cooperatives to build recreation areas...to develop and run an industrial or business venture...to do the countless tasks where group action is necessary, or more effective than working alone.

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Family Farm

We have been talking thus far about the non-farm aspects of the now visible dawn of a rural renaissance. Now I would like to turn to the keystone role the family farmer has to play in building rural America.

Farmers gross over \$40 billion a year, and they control three-fourths of the nation's land. Four out of every 10 workers in this country have jobs that are in or related to agriculture.

Viewed in this way, it is easy to see that the fundamental economic base on which we must build a great rural society is the family farm.

We are constantly trying to improve the commodity programs to better the family farmer's economic position. The promising beginnings made in the new programs for wheat, cotton, and feed grains must be extended and broadened in their application. With your support, we hope to make improvements to increase the income of dairy farmers.

I have mentioned the export program. These and other programs to make more effective use of our agricultural abundance both at home and abroad will continually be improved.

We must take whatever steps are necessary to give the family farmer secure tenure on his land. We will need continued improvement in the availability of farm credit.

These, then, are some of the challenges and opportunities that confront us in rural America in our new age of abundance. We can move forward and turn these problems into opportunities for advancement, or we can let doubt and indecision keep us inactive, and be bowled over by rapid change.

The choice is ours.

I am constantly pleased with what I hear and see the Grange doing these days in response to these challenges and opportunities.



July 21, 1892

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No organization has been more active than the Grange in developing and encouraging community development programs to revitalize rural America... and no farm group has given stronger support to the Administration's efforts to insure that American farmers will continue to have access to world markets.

With unity, we can be masters of our fate in a changing age.

I thank you.

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Nov. 11, 1964

Eight days ago the American people made the decisions that they make every four years. They charted their course of action. They chose their national leaders.

Now, our purpose must be, as President Johnson said, "to bind up our wounds, to heal our history, and to make this nation whole."

No one needs to speak of national unity to the Grange. In the 97 years of your history you have helped the nation bind up its wounds after 25 Presidential elections.

But I do think it appropriate to speak to you tonight about unity in another cause -- unity in one tremendously important phase of building the Great Society -- and that is building a better Rural America.

We in this country have entered the Age of Abundance. We have the capacity to produce and distribute economic goods and services to a degree never before achieved by any generation anywhere in the world.

But we have much work to do to put that capacity to wise and effective use in Rural America.

As our nation has grown, Rural America, once the bulwark of our national economy, became Forgotten America. In every part of the country rural communities were allowed to deteriorate.

Between 1950 and 1960, while our national population grew by nearly 30 million persons, 1,500 out of 2,700 rural counties lost population.

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Address by John A. Baker, Assistant Secretary, U.S. Department of Agriculture before annual convention of National Grange, Atlantic City, New Jersey, November 11, 1964, 7:00 p.m., EST.

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On our farms today there are less than six persons for every 10 that were there in 1950. So many young people have left that today our farm men and women between 45 and 64 years of age actually outnumber those between 25 and 44.

Why? Why did this occur?

First, because opportunity was lacking -- and is still lacking. It's estimated that only 10 percent of the boys now living on farms can expect to become farmers earning more than \$2,500 a year. So they go to the cities to get jobs.

But a job is not the only reason for this migration. A substantial number of those who go to the cities tell us they do so because country life isn't interesting enough -- challenging enough -- rewarding enough. In many places it lacks too many of the advantages of city living -- good schools, libraries, art, music, drama, as well as hospitals, pure water, and adequate housing.

Unfortunately, in all too many cases, those who seek the brighter attractions of the cities are unprepared to make a living in the city. And this creates problems both for them and for their new community.

Years ago industry offered jobs for large masses of unskilled labor. But today industry requires at least a high school education plus some specialized training. Lacking it, rural boys who go to the city tend to end up performing the most menial tasks for minimum wages.

For example, in south central Kentucky during the past decade, population declined about 15 percent because of heavy migration to the cities. About one out of every three men who left ended up as a low-paying laborer. Significantly, only one out of four who left had completed high school.



Our rural schools have been improved in recent years, and many areas now boast outstanding educational facilities. But generally speaking, schools in the country are poorer than in the city, teachers have less training, courses of study are narrower and standards are lower. Undoubtedly these are factors in the higher rural drop-out rate.

One study by our Department, covering 30 States, showed 400,000 drop-outs among 1.3 million rural youths of high school age.

Most of them left school when they finished the eighth grade. Only two percent quit because they were unable to make acceptable grades.

The majority -- nearly two out of five -- left school because they had lost the desire for additional education.

All of us here are deeply committed by our convictions and our life's work to the advancement and welfare of Rural America. We are not content to see rural institutions and rural values deteriorate because of neglect.

We are determined that rural people shall not continue to be deprived of parity of opportunity with city people just because they happen to live in the country.

In this determination, we are joined by our leaders in government. President Johnson has made it very evident that he intends to do everything he can to help insure that the child of tomorrow born in Rural America will have the same opportunity as the child born in the city -- and that every child, in city and country alike, will have the opportunity to enjoy fully the advantages of the Great Society.

Nor is it only in America that this drive to revitalize the rural community is taking place. We are involved in a great world movement toward a new age which future historians will perhaps call "The Rural Renaissance."

In virtually all the highly developed, highly industrialized democratic nations of the world there is a growing recognition that in the rush to become industrialized, to build huge cities and metropolitan areas, to increase the material level of living, something basic to the national welfare has been lost.

Fundamental social values which were grounded in rural living have been threatened.

In Canada, in the nations of Western Europe, as well as in other parts of the world, programs of national rural areas development reflect the widespread concern for rebuilding and strengthening of the rural community. These nations are keenly interested in what we are doing here in the United States.

As you know, we have become increasingly active. In the past three years especially, action on a massive scale has been getting results in revitalizing and recapitalizing farm and nonfarm Rural America.

Already more than 2,500 counties have organized Rural Areas Development committees to marshall the collective leadership of each community, to inventory resources and study potentialities and to open up new paths to progress. The rural landscape is increasingly brightened by new community successes. Formerly depressed and dying rural counties are striding proudly toward rural renaissance.

They have built modern and extensive public facilities.

They have attracted new manufacturing and other industry and businesses.

They have created new economic resources.

Improving incomes have increased their ability to support public and private services needed in the Great Society.

They have given old residents a new life and brought new citizens into the community.

We have made a good beginning -- but that's all it is, a beginning. Now we must get on with the job.

I believe we can express that job in terms of the following decalogue:

1. To preserve and strengthen the family farm system of agriculture.
2. To increase the income of rural people and eliminate rural under-employment.
3. To wipe out the many and complex causes of rural poverty.
4. To strengthen and expand opportunities for rural cooperatives.
5. To create rural job opportunities through new factories, stores, trades, recreational enterprises, crafts, and services of all kinds.
6. To encourage more rapid development of recreation facilities on rural land.
7. To encourage adjustments of land into patterns of wise use.
8. To conserve, use, and develop soil, water, forest, fish and wildlife, and open spaces around our metropolitan centers.
9. To help rural people obtain pure water, first-rate schools and hospitals, adequate streets and roads, and other necessary services.
10. To develop opportunities for creative and satisfying rural life, work and recreation for all who choose to live in Rural America.

Those are the objectives. How shall we realize them?

Let me say, first, that the revival of Rural America is not a job for the Federal Government alone, or even primarily. It must be -- and it is -- a nationwide movement, involving people of all classes and governments at all levels. It must be a movement of, by, and for all our people, aiming at benefits for all who live in or seek to enjoy Rural America.

This means the farm family and the town family; the rural resident and the urban vacationer; the big farmer and the small farmer; the farm hired hand and the town employee; the employed, the underemployed, the unemployed; the retirees, and those who live in the country and commute to a job in a metropolis; the Indian, the Spanish-American, the Negro, and the white family.

It must be, in short, more than an anti-poverty program, even though assuredly the elimination of poverty must be one of its first objectives.

The needs in various parts of the country differ widely, and therefore the approach needed to produce the rural renaissance will also be varied. Each community must be helped to work out its specific problems according to its particular needs.

We are impressed with the interest that has been shown and the results that have been achieved by such efforts as the Community Progress Program of the National Grange. As you put it so well in your work book, community progress stems from community improvement, community service, and community development. It takes strong local leadership and initiative to develop the better way of life we seek in Rural America. It takes cooperation with other organizations, groups, and individuals aiming toward the same goal, such as Rural Areas Development Committees, civic clubs, Chambers of Commerce, local newspapers, radio and TV stations, and local attorneys, bankers, business and professional people.

The rural renaissance is a local cooperative endeavor, or it is doomed to be nothing. How much progress is made depends upon the drive and determination of people at the grassroots level. The challenge indeed is yours.

Our role in government is to help you make your contribution as effective as possible.



We accept fully our responsibility to encourage local leadership and initiative as we do through the Office of Rural Areas Development and Extension Service, and through the farmer committee system and soil and water conservation districts and to provide through the several agencies of the Department the research, educational, advisory, and financial assistance that will aid in the rural renaissance.

In order to help you become more aware of and to take full advantage of the facilities offered by government, I am going to devote the remainder of my remarks to a brief rundown of these services.

In the rural renaissance the family farmer and his private organizations play the keystone role. The foundation of rural prosperity is prosperity for family farm agriculture. By that I mean the attainment of a full parity income for family farmers -- a total net income from their labor, capital investment and management equivalent to that earned in other employments throughout the national economy.

This means that we must continuously improve the important and successful commodity programs that we now have. The promising beginning made in the new programs for wheat, cotton, and feed grains must be extended and broadened. Commensurate improvements must be worked out to protect and improve the incomes of dairy farmers.

In addition to improved commodity programs we need continuing efforts to expand exports through Food for Peace and to increase domestic consumption of food through the Food Stamp Plan, and the School Lunch, Special Milk, and Direct Distribution Programs. We need to continue improving our supervised credit services, our conservation programs, crop insurance, and the rural electric and telephone programs. Through research and education we need to show farm families how to make the most of their available resources.



I believe that our progress in the rural renaissance will not be fully satisfactory until no farm family that wants to stay has to move off its farm in order to make a decent income. And this, I believe, is a goal we can reach.

Right now over two million of America's farm families are above the poverty line when both farm and nonfarm incomes are considered. Most of them are within realistic striking distance of a full parity of income if the needed commodity and related commodity programs can be provided, and if a rapid rate of non-farm economic growth can be maintained.

Of the remaining 1.5 million farm families about one-third can, with the proper farm programs and training, develop into operators of fully adequate family farms.

This leaves roughly one million poverty-stricken farm families in what might be called the "boxed-in" group. For them the only sensible solution is "rehabilitation-in-place." Farm families earning less than \$3,000 a year are considered "boxed-in" if the head of the family is 45 years or older with little or no experience except in low-income farming, or if he has less than eight years of formal education. Few such families can expect to gain full parity of income or even to rise above the poverty level with the help of commodity and conservation programs alone.

For example, it is estimated that in West Virginia five out of six farms are too small to have any prospects of producing successfully for today's markets. More than half of the farmers are 65 or older. Many farms are run by a woman alone. Much more than commodity and service programs are needed to encourage and assist such families as these.

On the other hand, running them off the land to city relief rolls is certainly not a sensible solution.

In the past, the regular Farmers Home Administration farm credit programs have been useful for this group. Now with the passage of President Johnson's anti-poverty legislation much more can be done. One section of the new program permits special FHA loans to poverty-stricken farm families who need additional land or capital resources to enhance their loan repayment ability.

The legislation also provides for a special loan to low income farmers to enable them to acquire and operate a non-farm enterprise such as a tool repair shop or roadside vegetable stand, as a source of additional income.

Also, loans are authorized to new or established cooperatives to extend their services to low income rural people, including the "boxed-in" group of poverty-stricken farm operators.

Not only for these families but for many others outside the poverty group, we need to search out and activate new and additional sources of income.

Let me suggest a few:

1. Income-producing outdoor recreation facilities.
2. Off-farm jobs.
3. Improved farm forestry.
4. Diversification into and expansion of fruits and vegetables that a growing and more prosperous population requires and wants.

We do not have time tonight to explore all these possibilities. But I do particularly want to tell you that we are pleased and excited over the way recreation is coming into prominence as a new "crop."

All over the country individual farmers or groups of farmers and other land owners are developing farm base recreation facilities for family vacations and for hunting, camping, fishing, hiking, horseback riding, and golfing.

During the past two years we estimate that more than 18,000 individual land owners and operators have installed one or more of these income-producing recreational enterprises for profit. We estimate further that the nation's family farmers will realize over \$300,000 in annual income from the recreational enterprises financed just during the past fiscal year.

The Farmers Home Administration offers loans for the development of on-the-farm, income-producing recreation facilities. The Soil Conservation Service provides technical assistance. The Cropland Conversion Program, which is still in the pilot stage, combines grants and loans to farmers to help them convert the land not needed for crops to recreational purposes.

The Department is active also in helping local groups establish community recreation projects. FHA has authority to make association-type loans to rural groups for community recreation projects. And through its Small Watershed Program, SCS provides both technical and financial aid to local sponsors for the development of water projects for agricultural, municipal, wildlife, and recreational purposes.

Watershed projects approved for recreation purposes over the past 20 months will add 10,000 acres of water and more than 9,000 acres of land to local public recreation facilities in 19 States. We estimate that the new recreation areas will attract 2.7 million visitors a year for boating, fishing, swimming, picnicking, camping, and allied forms of recreation, and have a favorable economic impact on nearby communities.

Some of the new recreational projects are the product of cooperation among the USDA, the Area Redevelopment Administration of the Department of Commerce, and private corporations. Loans from the Department of Agriculture, the Area Redevelopment Administration, and a local development corporation helped establish a ski resort near Bedford, Pennsylvania, last year.

The resort opened last winter and it had a payroll of 131 persons, 88 full-time employees, and 43 part-time. The resort was host to more than 30,000 skiers from throughout the northeast. Businessmen in Bedford reported business activity tripled normal winter operations. The resort owners expect to increase their number of employees this coming season.

We also are expanding public recreation areas in the National Forests. The 6,400 camp or picnic areas in the National Forests can now accommodate 400,000 persons at one time. In addition, there are 239 swim sites, about 200 winter sports areas, 575 organization camps, 19,000 summer cottages, and more than 400 resorts to serve forest visitors.

Recreationists are expected to make 137 million visits to the National Forests in 1964, a 12 percent increase over the previous year.

These visitors mean increased incomes to local businessmen in areas surrounding the National Forests. They buy gasoline, food, and other supplies, rent boats and horses, hire guides and need other services. The Department estimates that two dozen tourists a day equals the spending power of an industrial plant with a \$100,000 a year payroll.

(more)

USDA 3796-64

While the establishment of profitable family farming is the keystone of the rural renaissance, nonfarm economic development is no less essential. A broader job base throughout Rural America is urgently needed.

One way rural people are creating vitally needed jobs is by attracting new industry to rural areas. And one of the most effective tools they have found to help them do this is the Area Redevelopment Act.

This Act provides long-term, low-interest loans to help rural people develop job-creating industry and business. It also includes public facility loans and grants to pave the way for economic expansion and technical assistance to break economic bottlenecks and help solve development problems.

As of September 30, ARA had approved 320 projects in rural areas, projects that created 40,500 direct new jobs. It also generated hundreds of man-years of temporary employment in construction jobs to build the factories, the commercial firms and the public utilities. In addition, some 11,300 RAD projects already completed or being implemented are creating another 290,000 jobs in rural areas.

Other government programs also contribute to this industrialization process that helps diversify the rural economy. Local people are using the Small Business Administration to help finance small commercial and industrial operations. Often a public facility loan from the Farmers Home Administration or the Community Facilities Administration will provide the water or sewer system needed to attract new industry to rural areas.



New job and new economic opportunities can be created throughout Rural America in many other ways besides attracting new industry and providing private and public recreation. Housing loans, new or expanded community water systems and watershed projects, which I have already mentioned, stand out in this respect.

Farm credit programs were once exclusively concerned with farm ownership and operation. In 1949 they were extended to farm housing -- and in 1961 to rural nonfarm housing and to rural community water systems.

In fiscal 1964 the Farmers Home Administration made rural housing loans amounting to about \$125 million to more than 13,000 farmers and rural residents. Another \$8 million was advanced to provide housing for senior citizens and farm labor. At a conservative estimate these loans are providing improved housing for over 50,000 rural people.

This money moves through the economy with a "ripple effect," creating some 10,000 man-years of construction work and a demand for lumber, plumbing, heating and electrical fixtures, concrete, paint and furniture.

This, of course, barely scratches the surface of the housing need in Rural America. A report issued this year shows that one out of 11 homes in rural areas are in such dilapidated condition that they endanger the health and safety of the occupants. And one out of five of the remaining homes needs major repairs.

Approximately \$17 billion would be needed to provide the necessary repairs and replacements. Such construction would provide 1,366,000 man-years of labor.

This would be a powerful stimulus for rural economic development efforts.

New or expanded community water systems financed with FHA loans which must be repaid with interest always mean a better way of life for a community, and often they are the key that unlocks the door to industrial development and the building of new homes.

Similarly, projects including flood prevention, family farm improvement, soil and water conservation, recreation, municipal and industrial water supply and agricultural water management often form a springboard to new economic growth and community development.

Creating new jobs and new economic opportunities is one of the most important aspects of this nonfarm rural renaissance movement.

But there are two sides to this coin. First, the jobs and other economic opportunities must be created, and second, the people must be educated and trained to qualify for these new positions. Educational opportunities for rural youth must be improved.

But what of the people who are beyond school age? What is to be done with them.

Title I of the President's Economic Opportunity Act is specifically aimed at developing the skills of urban and rural youth aged 16 to 21. There are an estimated 1.8 million such youth from poverty families in rural America.

Under this Title the Job Corps was established to provide education, work experience, and vocational training for young people in need of employment and more training. Many of these youths will work from rural conservation centers set up on the National Forests. The work they will perform will benefit themselves, the forest resources, and the communities near the camps. In this phase of the President's war on poverty, the Forest Service plans to have 43 camps in operation by June 1965 to accommodate 5,800 enrollees.

The Act also provides for work-training programs that would enable these young men and women to resume or continue their education, and for work-study programs that will provide part-time work for students in institutions of higher learning who are from low-income families and who need the extra money to remain in school.

We also have the Manpower Development and Training Act and Area Redevelopment Administration training programs to train older people in new skills sought by employers in our modern, automated society.

Well, these are some of the tools we have to work with. In addition, we have such tried and true instruments as farmer cooperatives.

You and I know from personal experience what cooperatives can do for farmers and other rural people. They have helped build the system of family farming which we prize so highly. Rural electric, marketing, supply and other service cooperatives have contributed greatly to the miracle of agricultural abundance. And they have enabled many farm families throughout the nation to acquire the living conveniences common to families in the cities.

The USDA policy to promote the growth and effectiveness of cooperatives is set forth in Acts of Congress. It was spelled out anew by Secretary Freeman last year. We will continue in all appropriate ways to assist farmer cooperatives so that they in turn can help rural people revitalize rural America and so strengthen the whole nation.

Members of the Grange, we know that rural communities can experience a rebirth. We see it taking place. We witness it throughout the land -- in South Carolina, Kentucky, West Virginia, Indiana, Missouri, Nebraska, and many other states.

One of many shining examples is the economic development of the communities of Logan, Muhlenberg, Todd, and Butler Counties in Kentucky. Here the Mud River watershed project won the 1964 National Watershed-of-the-year Award.

The village of Lewisburg today has a reliable water supply to replace the old inadequate private wells.

Lake Malone, formed by one of the structures, has 900 acres of water for recreation and is providing 15,000 man-hours of fishing annually. A \$45,000 sportsman's lodge has been built on its shores and sites for more than 250 summer homes have been sold.

Emerson Electric Company has constructed a \$4 million plant at Russellville to make fractional motors. It employs about 500 persons.

Rockwell Manufacturing Company of Russellville plans a great expansion beyond its present 300 employees.

A manufacturer of laying crates and prefabricated "hog parlors" has located a branch in Lewisburg -- jobs for 75 people.

A Russellville businessman has started a boat shop to serve the sportsmen using the watershed lakes.

And loans and deposits in the Southern Deposit Bank have increased 25 percent.

Opportunities for people of imagination and initiative are almost unlimited. Our rural communities have vast resources. In West Virginia, for example, the forest lumber industry employs about 5,000 persons. It has the potential to employ at least 37,000.

There are so many similar examples -- and there is so much to be done. I urge you to carry the word to every community in the land. We want to help. We have many services just waiting on your call. Let us work together. Let us use our God-given imagination.

We can achieve a rural renaissance of creative living that will be one of the vibrant, dynamic forces of the Great Society. In the bountiful resources of rural America we have the economic potential. In the people, we have the necessary leadership and initiative.

Truly, a new era is dawning. Rural America is being born again.

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U. S. Department of Agriculture  
Office of the Secretary

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AUG 10 1965

Jan 28, 1965  
Secretary of Agriculture Freeman asked me to represent him at this  
CURRENT SERIAL RECORDS

conference. He is on an important European Mission. He asked me particularly to express to you his regrets at not being able to participate. However, my remarks do reflect the Secretary's policies and views.

The Agriculture Department is one of the oldest Departments in our Government. President Lincoln said of it, "It is precisely the people's Department, in which they feel more directly concerned than in any other."

I think you can grasp the Department's overall mission by considering its main functions of food, farming and rural affairs, or consumers, commodities and communities.

Our food programs include school lunch, food distribution to those with low income and to charitable institutions, and the food stamp program.

Our farming programs or the commodity programs deal primarily with farmers and the production of food and fibers.

Our rural affairs programs are designed to broaden the base of the rural economy, providing job and income opportunities that will enable people who want to stay in their home communities to make a decent living there.

All of these programs have certain phases to which Title VI of the Civil Rights Act applies.

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Opening statement by Assistant Secretary of Agriculture John A. Baker at panel on agriculture and rural area development, National Conference on Title VI - Civil Rights Act of 1964, held January 28, 1965, 1:30 p. m. EST, at the Departmental Auditorium, Washington, D. C.

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State, county and municipal governments administer our food programs within the State.

Many of the commodity programs are administered by locally elected farmer committees.

Rural affairs programs or community programs involve cooperative effort with the land grant colleges, State extension departments and other State agencies, and with county governments, with various instrumentalities of State and local government, and with non-profit private associations such as cooperatives and grazing associations.

Secretary Freeman is thoroughly aware of the problems of segregation and discrimination that have occurred in programs administered by the Agriculture Department. He is deeply concerned.

Following passage of the Civil Rights Act, the Secretary summoned 300 top field executives from every agency and State to attend civil rights seminars at the Department. Mr. Freeman made it plain to these groups that he expects total compliance with the Act. Following this, policy statements and directives were issued by the Office of the Secretary.

Agency administrators at the Secretary's direction designated top level executives to coordinate agency responsibility under the Act. These executives, working with the administrators, drafted regulations and instructions to implement the Act.

William M. Seabron, whom many of you know, has just been appointed by Secretary Freeman as a special assistant to coordinate day-to-day agency compliance activities.

The Secretary has met with representatives of the major Negro civil rights organizations to review the Department's methods for carrying out its responsibilities under the Civil Rights Act, and to seek areas of mutual cooperation in implementing the Act.



Since 1961, Negroes have been appointed to a number of important committees for the first time in the history of USDA. Additional appointments will be made.

Secretary Freeman plans to appoint a citizens' advisory committee on implementing the Civil Rights Act. The committee will include representatives of racial and ethnic groups, religious groups, and civil rights and farm organizations. I assure you this committee's recommendations will have the Secretary's closest attention.

Agency Regulations under Title VI have been drafted, approved by the White House, and were put into effect earlier this month. Secretary Freeman has indicated that he expects full support of everyone in the United States Department of Agriculture in carrying out our regulations.

But actions already taken have only really begun to grapple with the problem. We intend that progress shall continue and would like to detail briefly how we shall proceed.

Let me use the Extension Service as an example of how the Civil Rights Act is being implemented. It is an agency typical of a number of agencies that carry out programs in cooperation with State and local authorities.

Our Title VI regulations in this area of activity have been distributed to all land grant university presidents and State extension directors. These regulations seek to insure equality in training information, and demonstration services, including group activities and use of facilities.

Within 60 days the State is required either to provide the Department with an assurance of compliance with the Title VI regulations or to submit a plan giving reasonable assurance that non-compliance will cease.

Where a plan is submitted, the Federal Extension Service administrator will review it, including specific target dates on which non-compliance with Title VI will be eliminated. If the administrator considers a plan inadequate, he will work with the state extension director to develop a satisfactory plan.

Subsequent compliance reports, reviews, and inspections are provided for, along with a complaint procedure. The Office of the Secretary will investigate complaints and carry on systematic independent audits and checks to assure compliance.

Plans will provide specific procedures to insure non-discrimination and equality in the following areas:

- . Training opportunities for agents.
- . Staff conferences, seminars, or conventions.
- . Staff housing, facilities, or equipment.
- . 4-H Club activities.
- . Farmer field days, farm and home weeks or conferences, tours, contests, achievement and recognition programs, and other agricultural programs and activities.

Similar instructions have been issued by the Farmers Home Administration, Agricultural Stabilization and Conservation Service, the Soil Conservation Service, the Forest Service, and other Agriculture Department agencies with programs involving cooperation with State and local groups.

Another area which concerns us in the Department of Agriculture is employment. Negroes today constitute only about 3 per cent of our total employment, which fluctuates seasonally but usually is between 90,000 and 100,000.

We want to raise this overall percentage. Results obtained from extended agency efforts have been disappointing. But we can report gains in the number of Negroes employed in middle and higher grades.

Another area of concern is the elected farmer committees which help to administer the price support programs. These committees are unique, for no other Federal program depends upon democratically selected local administrators.

We are doing everything possible to eliminate patterns of discrimination in election of these farmer committeemen. Progress is being made in this area as is evidenced by the election of 14 Negroes for the first time in one state last fall.

You may be interested in details of what we did to safeguard voting rights for Negroes in the ASCS elections last fall. Steps taken included:

1. Special efforts to insure that every eligible voter was on the rolls in the county office and that these individuals were given notice of the community elections.
2. Procedures were revised and developed to insure security of challenged ballots, and rules established to enable voters to receive assistance from election officials and any other person in marking ballots. Procedures were set down for notifying local officials, the FBI, and the Department in the event of violence or misconduct at any polling place.
3. Special training sessions in election procedures and regulations for county and community committeemen.
4. A representative of the State ASCS office was assigned to each county on election day where Negro candidates were on the ballot to assist with any problems.
5. An ASCS representative from the Washington office was assigned to the State office to assist with any problems.

Widespread allegations have been made of irregularities in these elections. All allegations that we have received are now under investigation by the Office of the Secretary.

In the food distribution program, another area of concern, we are insisting that all the people are treated equally -- that is, no separate days for getting food, no discrimination in types of food given different groups, no separate entrances for minorities.

Where a community has segregated schools, we will for the present continue to underwrite the school lunch program, provided the program is carried out on an equitable basis in the two school systems. We will turn to other titles of the Civil Rights Act -- notably Title IV administered by the Department of Health, Education and Welfare -- to have the school segregation eliminated. This is in line with the legislative history of the Act.

In all our efforts under Title VI we will seek first of all voluntary compliance. Only after this fails will we undertake other action under the Civil Rights Act that could eventually lead to a cutoff of Federal funds.

I have outlined a number of the measures we are taking under Title VI. But if these measures are to be effective, we at Agriculture need help from groups like those you represent -- organizations that reach back into the grass roots of our society, leaders from farm groups and rural communities.

Participants in our programs must know their rights before they can stand up and insist on fair treatment. And community organizations should accept this as part of their responsibility -- to see that these rights are known.

We are relying on you to help us make Title VI work.

We at Agriculture face a big challenge. We face it resolutely, however, knowing that right will prevail.

We ask you to join us in making the services and activities of this great Department available to all on an equitable basis.

In his 1964 State of the Union Message, President Johnson, in commenting on the use of Federal funds for public benefit, said "As far as the writ of Federal law will run, we must abolish not some but all racial discrimination." This is our determination.

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March 17, 1965

AUG 16 1965

CURRENT SERIAL RECORDS

In the last few years there has been a growing chorus of spokesmen who predict that the days of the family farmer are numbered -- and the fewer the days, the better.

I have come to this convention of old friends and associates to bring you one message -- and that message is this:

The predictors and manipulators of doom for the family farmer are wrong -- dead wrong.

Farm family agriculture will survive because there is no more economic and efficient way to till the land and it is in harmony with the democratic tradition of our country.

If the forces of reason and common sense prevail, farm family agriculture will not only survive, it will expand and prosper as never before in our history.

I deeply believe that a prosperous and expanding farm family agriculture is absolutely indispensable to a healthy democracy, indispensable to a dynamic economy, indispensable to the building of a permanent peace, and indispensable to the creation of a Great Society.

Fortunately, this belief is shared by many people.

Our President believes this --

Your Secretary of Agriculture believes this --

Jim Patton believes this --

And -- most important of all -- so do you.

And it is organizations like the National Farmers Union that will help make this dream come through.

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Address by John A. Baker, Assistant Secretary, U. S. Department of Agriculture, at the National Farmers Union Annual Convention, Chicago, Illinois, March 17, 1965 at 3:15 p. m. (CST).

We are too practical and we have been in this fight too long to believe that the problems of farm families can be solved over-night or even within the next decade. But I wholeheartedly agree with President Johnson that the job must and can be done in this generation.

Some way must be found to turn back the forces who have a vested interest in eliminating farm families.

And finally, the unfortunate consequences of mistaken farm policies of most of the 1950's must be completely undone before we can expect to make any real progress toward a permanent, prosperous and expanding farm family agriculture.

And I submit, there was much that had to be undone during these past four years to clean up the debris of previous mistakes in agricultural policy. One has only to recall where we were in 1961 to appreciate where we are now. In 1960:

- net farm income was down to a low of \$11.7 billion;

- gross farm income -- the total money farmers receive and spend to sustain main street -- was not increasing as fast as farm costs;

- per capita -- personal income of the farm population was only 54% that of the nonfarm population;

- farm prices had been declining and taxpayers were burdened with excess supplies of commodities;

- government farm credit -- the only hope for survival -- for most small farmers -- was either frozen or cut back;

- rural electrification was in danger because there were insufficient funds for new generating and transmission projects;

-- the whole rural economy was sick and this was being reflected by the third national economic recession in the past eight years;

-- the problem of migration of 23 million rural people into urban areas since 1950 was being completely ignored;

-- the social fabric of all rural America -- its farm families, its rural communities and businesses, its churches and schools -- had been gravely and perilously weakened.

I remember all of this -- and so do you -- all too well.

It would all have been a great deal worse except for the valiant legislative fight you and your allies fought during those years.

It was not a pleasant problem for Presidents Kennedy and Johnson and Secretary Freeman to inherit, nor an easy one to cope with. But they have done their level best and progress has been made.

We set out to raise farm income -- and we have. For four straight years, net farm income has been nearly a billion dollars higher than the 1960 level -- cumulative realized gross farm income has been more than \$12-1/2 billion more than if the 1960 level had been maintained.

I am aware -- as you are -- that this increase -- though sizeable and encouraging -- is not nearly enough. Parity of income for most farm families is still a long way off. But may I remind you that this increase in farm income for four straight years represents a herculean triumph when you consider that it is a complete reversal of the trend that had been observed for years.

At least we now have a better base to start from as we strive for parity. And parity of income for farm families and parity of opportunity for all people in rural America is the announced and declared goal of President Johnson.

We set about to save and to improve our commodity price support programs. And this we did. The feed grain program and the wheat program were all major improvements and are responsible for raising farm income and reducing surpluses. We recognize that further major improvements and strengthening of these and other commodity programs are necessary. We shall see those improvements made and we shall strengthen present programs and devise new ones that are necessary just as soon as farmers and the public recognize the need for them and give their support for them.

While commodity programs are not the whole answer to the economic problem of farm families, certainly the abolition of commodity programs -- and a return to the free market -- as many people still advocate -- can mean instant disaster for much of agriculture.

Separate, independent and non-government studies of what would happen to agriculture if we returned to a free market, generally agree on the following points:

- net farm income would fall from present levels of \$12.6 billion per year to between \$6 and \$7 billion -- a decline of 40 to 50 percent;

- farm prices for crops would fall 25 to 30 percent; livestock prices would fall by 10 to 20 percent;

- farm production expenses would continue to rise, further squeezing net farm income;

- finally, there would be no net cash income above costs at all on many farms; two-thirds of farmers with sales of \$20,000 or more, would have their net cash income wiped out.

This situation would not only bankrupt most farmers -- it would mean economic and social ruin for much of rural America, and a serious economic setback for the whole nation.



It would seem that no responsible man in public life, no organization could support or advocate a farm program that would lead to such a tragedy -- but the voices of unreason persist and they are powerful.

We have set about over the past 4 years to provide more farm credit at reasonable terms. And this we have done -- and more. Many of our farm credit programs were expanded to include rural nonfarm people as well -- such as housing, community water systems, recreation development and, more recently, our economic opportunity program. This we felt was necessary because the total rural problem is part and parcel of the farm problem.

In the Farmers Home Administration, we

- have increased the volume of credit assistance to two and a half times the level of 1960

- have greatly strengthened the support of family farms

- have developed special credit for a wide range of rural community facilities -- water systems, recreation areas, senior citizens housing projects.

Increases in all our insured loan programs would have been higher had the authorization been higher. President Johnson has asked for increases in our insured loan programs and he has asked for a new insured loan program for rural housing that will double the volume of loan funds that will be available. Insured loan programs are a proper and effective way of expanding credit resources for rural people without imposing additional burden on the budget.

We set about to strengthen our rural electrification program and this we did by increasing REA credit for generating and transmission loans.

Attacks on REA will continue and will be focused, as in the past, on what the opposition believes to be the most vulnerable parts of the program. But I know that reason will prevail to protect this great program and to insure its necessary expansion. Rural electrification is too vital for the revitalization of all rural America for us to allow it to be hamstrung.

We set about to strengthen and make possible the strengthening and expansion of rural cooperatives as a means of providing farm families and other rural people with an effective tool for more bargaining power in the market place. This we have done. Secretary Freeman has reactivated the National Public Advisory Committee on Cooperatives and made it into an effective, functioning body. He has directed all Department of Agriculture agencies to coordinate their efforts in helping farmers to expand and develop cooperatives and co-op research has been stepped up and redirected to significant emerging problems. Merger of cooperatives has been encouraged. Credit resources for cooperatives have been increased. Much progress has been made by local people in four years in the use of cooperatives for overall rural areas development. Local REA cooperatives, in particular, have played a major and pioneering role in this field. Rural electric cooperatives and the staff of REA have provided technical assistance on more than 1,400 projects since 1961, often assisting businessmen to go to other Federal agencies and private creditors to help them finance new business ventures that will increase power use and boost the local rural economy. Local REA cooperatives have helped launch 1,459 local projects with the result that more than 135,000 new jobs have been created.

The new Economic Opportunity Act provides a co-op loan program under the Farmers Home Administration to help low-income rural people establish small marketing and supply cooperatives.

Not for years -- perhaps never -- has the climate and the potential for the expansion and development of cooperatives been so favorable as it is now. Now it is up to farmers and rural people to take advantage of this situation. To make the most of this opportunity is a challenge from which I know your organization will not shrink.

One of our major objectives since 1961 has been and still is a more realistic land-use policy. Passage of the historic Food and Agriculture Act of 1962 helped define that policy and we have made solid, major gains in this all-important area.

Loan programs and technical assistance are being provided to encourage and help farmers shift land out of unneeded crop production into more profitable uses such as recreation and wildlife areas, and woodlots. We have initiated two important new pilot programs to revitalize rural areas through comprehensive planning and growth -- Rural Renewal projects administered by Farmers Home Administration and Resource Conservation and Development projects administered by Soil Conservation Service. And we have significantly expanded the successful watershed protection projects and Great Plains Conservation programs.

In 35 years -- by the year 2000 -- we shall have almost twice as many people in this country as we did in 1960 -- more than 330 million. Our burgeoning population is creating a new race for space -- not outer space -- but land space.

Within this generation we are going to have to find living room, elbow room, walking room for 100 million more people.

In addition to meeting their demands for food and fiber which farm family agriculture can do, we also have to meet the massive demands for recreational facilities -- parks, camping areas, water areas for fishing, swimming and boating, hunting refuges, golf courses.

This means new uses for land, and of course, new and great opportunities for rural landowners and rural people.

As farmers, as rural people, we need not be fearful of these new changes. We should welcome them. These changes need not cause disruption in rural America. Rather they portend a new stability, a new prosperity for our rural areas.

We have devised programs to aid rural people and farm families to make the necessary shifts in land use and to take advantage of the new opportunities of change. Loan programs and technical assistance are available for land conversion purposes, for recreational development, for watersheds and for community facilities. These are available for individuals for private commercial ventures, to cooperatives, and to community or other public agencies. One of the most significant developments of the past 4 years has been the organization by farmers and ranchers with credit from Farmers Home Administration and other assistance from a wide range of State, local and Federal agencies of cooperative-type grazing associations by which they can build a strong secure basis for stable operation on their own lands in conjunction with grazing lands of Forest Service and other public land management agencies.

This is all a part of the long-range pattern of this administration to help rural people to revitalize rural America -- to strengthen farm family agriculture and to provide parity of opportunity for all rural people.



One of the first steps we must take is to eliminate rural poverty. This we are starting to do. Your Department of Agriculture is charged with a large part of responsibility of carrying on the war against poverty in rural America. It has our highest priority. We are regearing our agencies for the job. The Economic Opportunity Act provided for two new loan programs to be administered by the Farmers Home Administration -- individual loans up to \$2,500 to increase the incomes of poverty-level rural people, both farmers and nonfarm rural people. The other provides loans to establish small cooperatives for low income rural people.

In addition, all our agencies are cooperating with the Office of Economic Opportunity at every level. Forest Service, for example, is in the process of providing 43 Youth Job Corps sites by June 30th of this year. Two are already completed -- 26 are in the bid and planning stage. Each camp will provide facilities for about 100 to 200 boys.

The work of the Federal-State Extension Service is being strengthened and reoriented to put much greater emphasis upon work with cooperatives, on community action in the war on rural poverty, and to assist in the organization and operation of local and area-wide efforts to plan and obtain more rapid economic growth and a higher level of rural prosperity.

The rural areas development movement has active local committees in more than three-fourths of the Nation's rural counties with 107,000 people serving on those committees. In the last four years, rural areas development activity has created 412,000 new jobs. Federal training programs have retrained more than 90,000 rural people -- and helped them find new jobs.



The Department of Agriculture has created a new Rural Community Development Service to be more responsive to local needs. This new agency will help <sup>local</sup> people make as effective use of other Federal programs as they now do of USDA programs. We already have experience in doing this. Particularly in the last four years in the Area Redevelopment, Manpower Development and Training, and Small Business programs. But never before in such a formal way, and never before with a directive from the President to carry out such a function. Our objective is to make all of the programs of the Federal government completely available in rural areas...to provide not only parity of opportunity for rural areas, but parity of opportunity for each person who lives in a rural area.

Rural housing and community facility loan programs will be expanded to provide new economic muscle in rural areas, to create more jobs, to raise living standards and to make our rural communities more attractive.

Just a few years ago, farm family agriculture was at its lowest ebb -- and going lower fast. Lack of economic and social opportunity in Rural America was depleting it of the vigor and enterprise of its young people who were moving to the cities.

It was and is the objective of this administration to change all of this. It is the declared and avowed policy of President Johnson and his administration to strengthen farm family agriculture, to eliminate poverty in rural America, to provide parity of opportunity for all rural people. This sounds like a massive job -- and it is. But it is not an impossible one. With your help we shall do it.

We have the tools -- we have the will -- we have resources to do it. With people like you to lead the way, I'm confident of the future for farm families and for the people of rural America.

Thank you!

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USDA 761-65





March 18, 1965

AUG 16 1965

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It is a pleasure to take part in this American Home Economics Association workshop.

As you are well aware, home economists have moved into the forefront of public attention in recent months. The President's war on poverty and other efforts to extend the benefits of abundance to all Americans have brought a renewed awareness...and appreciation of...home economists and the work you do.

Your knowledge of nutrition and child management, of budgeting and health services are in great demand. Your techniques of teaching people and then getting them to teach others...of going into homes to work directly with individuals are being widely emulated as the nation seeks to upgrade the quality of its civilization and to wage a war on poverty.

Being married to a former home economist, I know how you work long days, then conduct meetings at night to help families achieve a better way of life. Home economists in industry, in youth and adult education, and with the press reflect in daily activities this creed of the professional home economist. It is difficult, therefore, to ask you to become more involved, but I must. Rural America needs your services now as never before.

In recent years, our nation has been climbing steadily to new heights of unprecedented prosperity. But our rural areas have not shared in this advance. On the contrary, many rural communities have fallen behind -- losing people, losing jobs, losing opportunity.

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Address by John A. Baker, Asst Secretary, U. S. Department of Agriculture, at the American Home Economics Association Workshop, University of Chicago Center for Continuing Education, Chicago, Illinois, March 18, 1965, 8:30 A.M. (CST).

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The magnitude of this decline...and the inequities it has created...are difficult to comprehend, even for those of us who work daily with the problem.

For example, everyone knows our cities are plagued with blight and overcrowded, substandard housing. But there are more dilapidated, deteriorating houses in rural America than in all the cities of the nation put together. Three times the proportion, in fact.

There are 30,000 rural communities still without that most basic utility -- a central water system. This means that in millions of rural homes, the simple act of taking a bath becomes a complicated task. In periods of drought, for the low-income family that must haul water, a bath may become an economic impossibility. And, without water, there can be no waste disposal system.

In education, urban residents have, on the average, almost two years more schooling than rural people. And the quality of their education is generally superior. Looking at the per pupil expenditure for education in urban versus rural school districts, you realize it could not be otherwise. For rural schools the cost per pupil was \$221 for 1955-56. In urban schools, the expenditure per pupil ranged from \$273 to \$321.

Rural America also has a disproportionate share of poverty. Nearly half the nation's poor are found in rural areas, where 30 percent of our people live.

In child health, there is a comparable disadvantage for rural youngsters. They have access to and receive one-third less medical attention than the urban youngster. The mortality rate for rural children is far higher than for urban children.

As President Johnson has pointed out, these deficiencies and deprivation feed one upon the other. The gradual erosion of opportunity...the houses and public facilities that are never built...the outmigration of people...all of this



leaves a tax base growing smaller and smaller for the support of education, health, and other public services that are essential to the full development and well-being of people.

Some people might find it difficult to believe what I am describing. After all, what they see as they whip along a super-highway is a wide expanse of lush green fields of restful forests and grazing cattle. Or, if they turn onto a regular highway that winds through a rural village, what catches their eyes are the magnificent old homes dozing on well-shaded streets, and the peaceful, unhurried pace of the people in the downtown section. Perhaps they feel a momentary longing for that peace and tranquility, not realizing that many of the people are not hurrying, because they have no place to go. The hurrying travelers don't see the closed off second story of the fine old homes, unused because the young people have left to seek jobs and opportunity in the city...the water and sewer lines that do not exist...the library that is missing. Seldom, if ever, do they truly get off the beaten track, off the ribbons of concrete and asphalt and onto the rutted dirt roads that carry them back into a land where deprivation and hardship have become a way of life. They enjoy the mountain scenery from the super highway but they don't follow the creeks and winding roads back to the impoverished homes in the hollows.

This is, of course, only one face of rural America, just as the overcrowded slums are but one aspect of our metropolitan centers. There are many rural communities where the magnificent old homes and quiet downtown streets bespeak a cherished way of life, rather than a lack of opportunity. These are the rural towns and cities surrounded by still prosperous farm areas...communities where local people diversified their economy to counter swift moving currents of change.

To a person facing the problem for the first time, the immediate reaction is: "Why don't they pack up and leave?"

You, of course, know the answer.

It is one thing for the well-educated, self-reliant young men and women to go to the city in search of wider economic opportunity. Millions have...and many have succeeded. It is altogether another matter for older people...with probably less education and less adaptability...to be placed in a position where they are forced by the naked coercion of want and hunger to move into the city. Too often, the only result is that they add congestion and a lessening of family ties to their previous misery. A survey conducted in rural areas of south central Kentucky shows that one out of every three men who left that region between 1950 and 1960 ended up as a low-paid city laborer. These men are the first to be laid-off in a production cutback. Often, when this has happened a second or third time, they return to their former homes, disillusioned and dissipated.

I would be the first to urge young men or women to seek their places in the city, if that is what they desire. But I am violently opposed to the idea of standing idly by, and letting want and economic privation rob them of all choice in the matter.

What can we do to help people in areas of rural decline correct this imbalance of opportunity?

We can work with rural groups to help them create new jobs and new economic opportunity, and give them technical help when they request it.

We can support their efforts to obtain education systems and public utilities that are on a par with urban areas.

We can help them find ways to attack, and overcome, local causes of poverty.

And we can see to it that Federal assistance of all kinds is just as readily available to rural people as it is to urban people.

An impressive start has already been made in this direction. Throughout rural America, local people are seizing the initiative, and...with government help...they are carrying forward projects to create new jobs and new economic opportunity.

The roots of this rural renaissance can be traced back to the work of the Cooperative Extension Service. Through county agricultural agents and later home demonstration agents, the Cooperative Extension Service has worked with young and old alike to develop agriculture and improve rural life. This budding renaissance also had its genesis in the cooperatives which brought electricity and telephones to rural homes, and in the soil conservation districts which rural landowners organized to carry forward land and water improvements on a sound, coordinated basis. Scattered rural development activities crystalized into a nationwide movement almost four years ago when local people began organizing Rural Areas Development committees. The Department of Agriculture encouraged formation of these committees and the field people of our Department and other Federal and State agencies organized Technical Action Panels to serve as consultants to the local organization.

The Congress provided new legislation needed to overcome obstacles that local people encountered in their development efforts.

One of the first of such programs passed by Congress was the Area Redevelopment Act. This legislation provided part of the credit local people needed to finance job-creating industries, and to build the water and waste disposal systems required by such plants. With ARA's help, rural people have financed 316 commercial and industrial plants and recreation ventures that have provided them nearly 70,000 direct and indirect jobs. Financing a development plan is a difficult problem for any city, particularly smaller rural communities which have

experienced a long period of economic decline. The Area Redevelopment Act helped them offset at least part of this problem.

The Food and Agriculture Acts of 1961 and '62 provided a number of new or expanded programs. Since 1961, the Department of Agriculture has helped rural communities build or improve water systems serving more than 385,000 rural people. Most of the money was provided by private investors and insured by the Department. A recreation loan program was authorized, and we began providing expanded technical assistance on income-producing recreation projects. Since 1962, the Department has helped more than 26,000 rural landowners establish one or more income-producing recreational enterprises.

We stepped up our response to rural housing needs, including special programs to help senior citizens build or remodel their homes and special housing programs have, also, been inaugurated for migratory workers and their families.

Watershed flood prevention projects were expanded to provide additional water storage capacity for recreation and municipal use.

We began working with farmers on a pilot basis to find other economic uses for land no longer needed for growing crops.

At the request of local sponsors, the Department also launched two unique pilot projects in multi-county development, both on a small scale. One is called Resource Conservation and Development. It calls for acceleration of resource development activities to improve overall economic conditions. The other is Rural Renewal. It could be considered a rural version of urban renewal. Secretary Freeman has authorized financial assistance to nine locally sponsored Resource Conservation and Development projects. Under the Rural Renewal program which got underway in February 1964, the Department has loaned \$706,000 to county development authorities, one in Florida and one in Arkansas, to carry out projects that could not be financed under other programs.



With passage of the Economic Opportunity Act, local people obtained many of the tools they needed to expand economic development activities to encompass improvement of human capabilities as well. There, of course, has been some activity in the human development field all along. The work you have been doing, the training programs, and the health and educational work of RAD subcommittees all have contributed to a better way of life for individuals. This work will be expanded and intensified by the Economic Opportunity Act. This Act provides programs and funds that will enable local people to get at and improve conditions for the hard-to-reach, low-income group.

Using these tools and the organized RAD approach, local people have been able to complete, or start work on, projects that have created more than 412,000 new jobs. Rural Areas Development committees have been organized under one name or another in three-fourths of the nation's rural counties.

Home economists are making an important contribution to this movement. Our records indicate at least 2,100 home economists are actively involved in local development efforts. You are conducting surveys and training programs. You are helping families solve problems of operating vacation farms and resorts. You are stimulating the development of home industries. You are helping the low-income families to stretch their few dollars for food or use the donated foods they receive for more nutritious meals. You are working with families in areas of chronic poverty to develop attitudes that start them on the road to independence. In some cases, you are the leaders of the local RAD effort.

For example, in Calhoun County, Mississippi, when a RAD committee was organized more than one-fourth of the members were women because the home demonstration agent had been working with home demonstration clubs, explaining the objectives of RAD, and the responsibilities and opportunities for women in this movement.



I hope those of you here will become even more actively engaged in local development efforts, if you have not already done so. Secretary of Agriculture Orville Freeman has invited home economists to become active participants on Technical Action Panels, as well as the local RAD committee.

Late last month, Secretary Freeman took an important step to help other agencies of the Federal government reach into rural areas with increased effectiveness.

He created the Rural Community Development Service, an agency with no operating programs of its own, but whose job it is to assist other agencies in extending their services to rural people.

This new agency will help local people make as effective use of other Federal programs as they now do of USDA programs. We already have some experience in this. We have done quite a bit, in fact, to help rural people make use of many programs such as Area Redevelopment, Economic Opportunity, Manpower Development and Training, and Small Business. But never before have we done this in such a systematic manner, and never before have we had a directive from the President to perform such a function.

Our objective will be to make all the programs of the Federal government fully available in rural areas -- to provide not only parity of opportunity in rural America, but also parity of opportunity for every person who lives in a rural area.

The Rural Community Development Service and the work of the Extension Service will help rural people realize this objective, but they cannot do the job alone.

They will need your help.

I urge you to find out about the various services available from the Federal government. Then you will see ways they can help in your own community. For example, you could inform local leaders of the assistance available under the public housing program of the Housing and Home Finance Agency, work with them to get a

project going, and then work with the families who move into these units to improve their level of living.

Also, did you know that the Department of Health, Education, and Welfare is now required to spend a part of its funds on job training for women? They have set up specifications with the Labor Department for courses in child care, in food handling, in housekeeping, and other sub-professional jobs. Here is an opportunity for the Home Economist to get enough girls interested to form a class, and to work with local people and the Labor Department in obtaining authorization for a course.

In this way, we can help rural people find their rightful place in our country's Great Society.

Thank you.





I warmly congratulate Mr. Wilfred Woods, publisher of the Wenatchee Daily World, the Bureau of Outdoor Recreation, and the people from government, industry, educational institutions, the Chamber of Commerce, and all who have cooperated to make this important Congress possible.

Obviously you are building well. The enthusiasm you display leaves no room for doubt where your hearts lie.

I want to pay my respects also to both your excellent Senators who have consistently shown a keen interest in recreational development. Senator Magnuson's amendment to the 1957 Public Works Bill -- making it possible for public works land to be opened for industrial and recreational development -- has been highly beneficial to the people of Washington and other States.

And Senator Jackson's proposal to insure full development of the great recreational potential of Banks Lake and the Potholes Reservoir has immense possibilities for the entire Pacific Northwest.

I know that your Senators strongly support the objectives of this Outdoor Recreation Congress.

My remarks today center on three fundamental questions:

What is the size of the recreation problem?

What has been done about it?

Where do we go from here?



The demand for outdoor recreation has more than doubled in the past 10 years. It is estimated that nine-tenths of the American population participated a total of more than four billion times in one or more of seventeen forms of outdoor recreation during the summer of 1962.

But these astronomical figures are small compared to what lies ahead. The Outdoor Recreation Resources Review Commission anticipates that the total demand for recreation will triple by the end of this century.

This is predictable on the basis of present trends.

First, more people. Population is increasing -- our 194 million people today may swell to well over 300 million by the year 2000.

Second, more money. Participation in outdoor recreation rises with increasing income up to the \$10,000 bracket. As more people rise out of the low income groups into the \$7,500 to \$10,000 range, demand for outdoor recreation will soar.

Third, better education and rising occupational status. In the past two decades the middle and upper classes in education and occupation have led the trend toward a new style of life, of which increased outdoor recreation is an important part. This trend is expected to continue.

The problem is aggravated by our growing urbanization, with cities increasingly reaching out into the countryside -- by our modern highways, every mile of which can wipe out the equivalent of a 50-acre park -- and by some of the side effects of technology, which spews forth waste products that menace the Nation's rivers and streams, soil and wildlife.

President Johnson gave us a broadened concept of outdoor recreation in his message on natural beauty. He pointed out the need for a new conservation.

"We must," he said, "not only protect the countryside and save it from destruction, we must restore what has been destroyed and salvage the beauty and charm of our cities. Our conservation must be not just the classic conservation of protection and development, but a creative conservation of restoration and innovation. Its concern is not with nature alone, but with the total relation between man and the world around him. Its object is not just man's welfare but the dignity of man's spirit... This means that beauty must not be just a holiday treat, but a part of our daily life. It means not just easy physical access, but equal social access for rich and poor, Negro and white, city dweller and farmer."

This, in brief, is the size of the problem and the measure of the challenge given us by the President.

What has been and what is being done about it?

It's hard to believe, but as late as 1961 the Federal Government had no national recreation policy. There was little guidance in the field of recreation. Research and long-range planning were inadequate. Yet just the year before, in 1960, there were some 450 million recreation visits to government managed, financed, or licensed facilities.

At least 24 Federal agencies in several departments had outdoor recreation responsibilities -- and each went about its work independently of the others, and, at times, in opposing directions.

Fortunately, Congress in 1958 had established an Outdoor Recreation Resources Review Commission and authorized it to launch an intensive nationwide study of outdoor recreation. The Commission reported its findings in 1962. Action swiftly followed.

President Kennedy immediately established the Recreation Advisory Council. The RAC is composed of the Secretaries of Interior, Agriculture, Defense, Commerce, and Health, Education and Welfare, plus the Administrator of the Housing and Home Finance Agency. Its primary function is to improve inter-agency coordination in national recreation policies. Secretary Freeman is presently chairman of the Council.

The Bureau of Outdoor Recreation was established within the Department of Interior. Its responsibility is to coordinate the various Federal programs and assist other levels of government to meet the demands for outdoor recreation.

The Watershed Protection and Flood Prevention Act, administered in the Department of Agriculture, was amended by Congress to include cost-sharing on public recreation developments in small watershed projects. In the past two years, 48 recreation developments have been authorized in 44 projects. These will provide about 16,000 acres of land and 12,000 acres of water for recreation purposes. We expect they will be used by about 2.7 million recreation seekers annually.

And most recently, the Land and Water Conservation Fund Act was passed by Congress to assist States and Federal agencies in acquiring necessary outdoor recreation areas.

Another big stride was the Food and Agriculture Act of 1962. This authorized the Department of Agriculture to assist rural landowners, farmers, and non-profit rural associations to develop income-producing outdoor recreation facilities.

By January 1, 1965, our Soil Conservation Service had provided technical help to 38,000 rural landowners and operators in planning recreation enterprises on their farms.

Our Farmers Home Administration's new loan program has helped 102 non-profit groups to finance community recreation projects. FHA has also made 311 recreation loans to farm and ranch operators to develop farm based recreation facilities.

Our Agricultural Stabilization and Conservation Service has a pilot program underway through which farmers agree to shift land out of surplus crops and into grass, trees, or recreation.

Our Forest Service has stepped up its building of new campsites, picnic areas, swimming sites, and other facilities. In the past four years the Forest Service built over 1,000 new camp and picnic grounds with a total capacity of 104,000 persons. In addition, we increased the capacity of swimming sites by 12,000 persons, boating sites by 19,000, and winter sports areas by 67,000.

As Secretary Freeman has said, recreation is today a growing source of additional income to farmers and the rural community -- a much better use for land than idling it or growing surpluses on it.

The development of recreational facilities is an important aspect of our entire Rural Areas Development Program. In counties throughout the Nation we have set up technical action panels, made up of Federal and State technicians, whose function is to assist communities in Rural Area Development, including of course outdoor recreation.

Just a month ago we established the Rural Community Development Service, at the direction of the President. This new agency will help rural people make full use of all existing tools for rural growth and well-being. This new service will help to insure, as the President has directed, that rural America has equal access to all Federal services -- to provide an "outreach" so that every program of the Federal Government will, in fact as well as in theory, be available to the rural community that seeks such cooperation.

This adds up to a pretty good record -- at least by comparison with the lethargy and neglect of previous periods. But actually it is only the beginning of the beginning of what needs to be done.

Greatly needed nation-wide impetus and action will result from the White House Conference on Natural Beauty which President Johnson has set for Washington May 24 and 25.

So where do we go from here? Where we go depends on how much and what kind of planning we do -- not only government but communities and private investors as well.

That is the purpose of this Congress. If this meeting fails to provide incentive for local communities and areas and private citizens to plan actively for participation in this very competitive, rapidly-growing recreational industry, then our efforts here are vain. This is the yardstick by which our accomplishments must be measured.



It is easy to see as we look back today that better planning and the wise expenditure of a little money could have prevented much of the deterioration of thousands of communities throughout rural America. Better planning and a wise expenditure of dollars could also have prevented much of the silting and pollution of our rivers and streams.

Our national capital, for example, is built beside a river rich in history and memory -- the Potomac. It should serve as a model of scenic and recreation values for the entire country. But it does not serve that purpose now. Much of it is too dirty to swim in -- some of it is almost too dirty for fish to live in.

It has an acute sedimentation problem. In some places near Washington, silt is more than nine feet thick at the bottom of the river.

Our soil conservationists say it costs as little as 3 to 5 cents a cubic yard to keep the soil on the land -- but it costs \$1 per cubic yard to dredge it from the Potomac at Washington.

Here in the Northwest you have an abundance of clean, clear water. It will take good planning to keep it that way.

There is no question but that the Nation has the basic land and water resources to meet its recreation needs. Vast acreages are set aside in non-urban, public, recreation areas, the biggest slice by far being the 186 million acres of national forests.

Unfortunately, our public recreation land is most abundant where population is relatively scarce. In 1960, the Northeast region had about 25 percent of the population, but only 4 percent of the public recreation area.

The West had only 15 percent of the population and nearly three-fourths of the public recreation area.

The need for additional near-at-hand outdoor recreational facilities is growing so rapidly that it is obviously necessary not only to enlarge Federal and State recreational developments -- which is being done -- but to place a great deal of emphasis on the development of local community and private recreational facilities.

President Johnson, in his message on natural beauty, urged us to aggressive action to beautify our cities and our rural countryside -- from mini-parks to large wilderness areas.

Most of our land is in farms. And most farmland can provide recreation opportunities. Outside of the Western States, in fact, farmlands produce most of the Nation's huntable game. Dotting these farmlands are thousands of ponds, lakes, and reservoirs as well as many miles of streams that produce fish and provide nesting areas for waterfowl.

But farms and farmers are at present only beginning to exploit their recreational potential.

The same is true of local communities. The impact of recreation on these communities is likely to be as far-reaching as many of the important developments of the past.

It may bring a need for changes in laws, customs, and governmental organization. Local communities may need zoning regulations within recreation areas -- limitations on the number of people who can come in at a given time -- restrictions on motor boats, water skiers, scuba divers, fishermen and swimmers to protect the safety of all the people enjoying recreation.

There will be problems of attaining desirable land use patterns. There will have to be increased road maintenance, police control, and police and fire protection. All this will cost money -- tax money. Who should pay, and how much, are among the questions which will have to be answered.

Meeting the demand for outdoor recreation does not involve a choice between public or private enterprise. Both are needed. But public policy and the policy of public agencies will strongly affect the conditions under which private enterprise operates.

The Recreation Advisory Council has been endeavoring to set up criteria or guidelines of Federal policy governing recreation on Federal lands. As we see it the Federal role to help achieve the national recreation goals includes:

1. The development and management of outdoor recreation opportunities on Federal lands and waters consistent with other uses and within their sphere of influences.
2. Provision for a nationwide outdoor recreation plan.
3. Provision for a consistent approach to outdoor recreation on Federal lands and waters.
4. Encouragement of non-Federal interests to develop and manage opportunities on Federal lands and waters where practicable, and where it is in the best public interest to do so.

We recognize that a large part of our job is to insure and maintain a favorable climate for non-Federal activities. We envision a further division of responsibility about as follows.

The pivotal State role must, to be effective, provide for State-wide planning; legislation and financing with cooperative effort at both local and Federal levels. Since its responsibility is primarily in areas of State and local interest, it has a fundamental part in the Federal programs dealing with these areas.

The local governmental role also has an important responsibility -- that of planning, financing, coordinating and developing facilities near urban centers and other areas of local interest.

The private sector has the responsibility of furnishing certain special facilities and services. Experience should have shown that these are compatible with the recreation resource and that the public health, safety, or other interests do not require public construction and operation. At the same time, the needed public service should return a reasonable profit to the investor.

The basic approach to the recreation problem must be one of cooperation. The real problem is who can do what best -- and where, when, how much and under what conditions.

Certainly there are challenges aplenty -- and opportunities aplenty also.

The woods and fields of America, the lakes and streams, the hills, thickets and meadows where deer, pheasant and cottontail thrive -- swift streams with trout darting to and fro -- quiet campsites and picnic spots a stone's throw removed from scenic trails and roads -- ponds where children swim and frolic -- ski runs and trails for winter sports enthusiasts -- all this is part of the American heritage -- all a part of the natural beauty of America President Johnson seeks to restore where it has been despoiled and to maintain throughout the Nation.

This is what we seek. This is what we must offer our children and their children.





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AUG 16 1965

May 16, 1965 ev

I count it a real privilege to join with you in the dedication of this  
CURRENT SERIAL RECORDS  
outstanding recreation area.

In a very real sense, this dedication ceremony is a welding of the historic heritage of the past with the bright future ahead for the Piedmont area. It is also a living symbol of the benefits resulting from an active partnership between local people and a government which responds to the expressed needs of people.

In the early 1960's, Congress provided a number of new tools to help local people revitalize their economy. The recreation area we dedicate today was built through one of these programs -- the Accelerated Public Works Act. Not only did the building of this beautiful facility provide temporary employment for 180 Chester County men, but it will provide countless hours of pleasure and enjoyment to you, your neighbors, and tourists seeking just such an ideal spot to enjoy the scenery and vacation.

This recreation area -- along the banks of the historic Broad River -- will serve many people -- both urban and rural. Where cotton and corn were harvested over a hundred years ago, people will now picnic, camp, and enjoy water sports. Recreation areas, such as this one, are one of the essential ingredients for rural economic development.

Outdoor recreation offers rural America a truly exciting opportunity -- supplying a service which is wanted by all Americans -- opening a whole new field of careers for rural young people and boosting rural income -- giving a new dimension to balanced land use.

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Remarks by John A. Baker, Assistant Secretary, U. S. Department of Agriculture, at the Woods Ferry Recreation Area Dedication, Sumter National Forest, Chester County, South Carolina, May 16, 1965.

Every year, at least 130 million Americans are on the move in search of places to picnic, swim, hunt, fish and places to play or just to relax and enjoy fresh air and sunshine -- places like the Wood s Ferry Recreation Area.

The damand for outdoor recreation, which is expected to triple in the next 35 years, has been growing swiftly for the past two decades. The number of recreation visits to the 154 National Forests increased nearly sixfold from 1940 to 1960. About 137 million recreation visits were made to the National Forests in 1964 -- a 12 percent increase over 1963. National and State Parks have experienced similar increases. In the same 20 years -- 1940 to 1960 -- the sale of hunting licenses increased 56 percent and fishing licenses 90 percent.

All types of outdoor recreation are increasing, as shown by the booming sale of tents, boats, skis, and sporting goods.

Outdoor recreation is big business -- Americans now spend \$20 billion a year for outdoor recreation. By 1980, we will spend an estimated \$46.4 billion.

President Johnson in his message to Congress on Natural Beauty pointed out that "A growing population is swallowing up areas of natural beauty with its demands for living space, and is placing increased demand on our overburdened areas of recreation and pleasure."

To help meet our growing need for public recreation areas and because most of the public lands -- National Forests and Parks -- are concentrated in the West, Congress last year enacted the Land and Water Conservation Fund to help finance expansion of public recreation areas near our growing metropolitan centers.

The new green and white recreation-conservation sticker is a symbol of this new program. It is an annual permit for unlimited access to Federal recreation areas -- including those in the National Forests. The \$7 sticker entitles the driver and all the passengers in the car to admission to most Federal recreation areas as often as they wish during the year. Visitors, also, may obtain admission permits on a per week or per visit basis.

An additional user fee may be charged at a few areas for special facilities and services such as mechanical boat launching equipment, waste collection, and other special services.

The income from the sticker and user fees will go into the Land and Water Conservation Fund. The Fund will also receive income from the existing tax on motorboat fuels and the net proceeds from the sale of surplus Federal real estate.

The Fund is to be used, subject to Congressional appropriation, to acquire additional Federal recreation areas and to assist States in acquiring and developing additional public recreation areas.

The Department of Agriculture is also expanding public recreation facilities on the National Forests -- such as this one in Sumter National Forest.

During the past two years of 1963 and 1964, the Department built 16,250 new family camp and picnic units, improved 100 winter sports areas and built four new visitor information centers as a part of the multiple use management of the National Forests.

The other resources of the National Forests -- wildlife, water, timber, and forage -- also are managed to provide maximum overall benefit to the public. For example, in the Sumter National Forest nearly 54.5 million board feet of timber valued at \$1.3 million was cut last year from its 341,545 acres. At the same time more than 640,000 visitors came last year to enjoy the recreation facilities.

But not all of the expanding need for outdoor recreation opportunities can be met on publicly owned land. Private recreation facilities will also have to be expanded more fully. Many private outdoor recreation developments can provide the additional space and additional services that will be needed.

The Department of Agriculture is helping rural landowners and rural people who have formed non-profit associations get a sound start in this new field through a variety of services and programs. These range from recreation loans and technical help to cost-sharing and on-site assistance.

Since passage of the Food and Agriculture Act of 1962, the Department has made 318 loans to help family farmers develop income producing recreation facilities. These recreation areas offer practically every type of outdoor recreation, from fishing and golfing to camping and farm vacation businesses.

The Department has made or insured loans to 104 nonprofit rural groups since the program started in late 1962 to finance community recreational projects.

Under another type of program designed to help farmers convert cropland to recreation use, the Department provided cost-sharing and transition payments that enabled 123 farmers in 93 test counties throughout the Nation convert cropland to recreation. The success of this pilot program encourages us to believe the effort is worthy of more widespread application.



During the past two years, the Department gave technical assistance to more than 22,000 rural landowners who plan to develop one or more recreation areas on their land.

Between July 1, 1962 and June 30, 1964, outdoor recreation became a major source of income for 2,198 rural landowners. During the same period, about 26,759 landowners established one or more income producing outdoor recreation enterprises.

In many rural areas, local leaders serving on rural development committees are giving serious consideration not only to their county's recreation needs and facilities but are also making plans to develop their recreation and tourism potential as a basis for more rapid economic growth.

Outdoor recreation offers today's young people a new and challenging career. By 1980, total employment in management of public recreation areas and in operation of tourist and related private recreation services is expected to be about 1.4 million. This would be an increase of about 781,000 new jobs in the 20 year period of 1960 to 1980.

In rural areas, it is estimated that about 350,000 full-time jobs may result from farm and rural recreation enterprises by 1980. About 194,000 of these jobs will be created by new rural recreation enterprises.

For rural young people, outdoor recreation offers a new career possibility--a career that gives them a chance to live and work in their home community if they desire. It also can help revitalize the economy of rural communities, while providing city dwellers with outdoor fun they want.

Helping rural people develop new sources of income through outdoor recreation is only one of the many new programs for rural development.



Housing legislation in 1961 and 1962 broadened the Department's ability to make credit available to all rural Americans. Special emphasis was given to housing for senior citizens. The Area Redevelopment Act in 1961 made additional resources available to help rural communities finance industrial and business expansion and to build essential community facilities.

The Food and Agriculture Act of 1962, together with other legislation, expanded the dimensions of rural development. The Department was able to accelerate non-farm home building and construction of rural water systems. The small watershed program was expanded.

That same year, the Congress also enacted the Manpower Development and Training Act. Next year came the Vocational Education Act of 1963. Both enabled the government to be more responsive to the needs of rural people for opportunity to gain new and useful skills.

The results of these programs carried forward through local rural areas development efforts are both impressive and heartening. Local leadership has responded to the challenge -- there are rural community development groups involving over 100,000 rural leaders in more than 2,100 counties today. These groups have helped to create some 412,000 new jobs in rural America, including more than 40,000 jobs provided by 316 ARA-financed projects.

Over 558 rural communities have built or expanded water systems with USDA loans of nearly \$73 million since 1961, while 92 projects costing nearly \$59 million have been financed in rural communities with ARA assistance. Over 45,000 rural homes have been built or improved in rural areas through housing loans totaling nearly a half billion dollars in the past four years.

Our experience has taught us two important lessons:

\*With adequate funds and sufficient technical assistance, the rural community can reach out to provide better opportunity for rural Americans. We have shown that rural America has the capacity for growth;

\*We cannot duplicate -- and should not try to duplicate -- within the U. S. Department of Agriculture all the expertise and services of the rest of the Federal government such as education, manpower, health, welfare, youth counseling, employment programs, and all the rest.

For the Department as a whole, and for the rural areas development effort particularly, this means that we should concentrate on helping other agencies and programs bring their benefits to rural America.

President Johnson, deeply conscious of the full range of needs of rural America, has acted to insure that rural America has equal access to all Federal services. We have established a Rural Community Development Service to provide "outreach" so that every program of the Federal Government will, in fact as well as theory, be available to the rural community that seeks such cooperation.

Thus, there is underway an ever enlarging effort to achieve President Johnson's goal of parity of opportunity for rural America.

Progress in strengthening the economic base of rural America is heartening. But, as President Johnson pointed out in his message to Congress, we must differentiate between the challenge and opportunity in the rural renaissance now underway ... and the challenge and opportunity to maintain the strength of commercial agriculture so critically important to the national well being.

A strong agriculture -- based on our family farm system -- is essential to this Nation's future as the leader of the free world.

Over the past 30 years, the commodity programs which provide price and income support to the farmer while keeping production in check have proved to be the most sensible instrument for dealing with our agricultural abundance. They have helped to strengthen the family farm system while at the same time they have been effective in keeping food supplies roughly in balance with demand.

For each of the past four years, realized net farm income has averaged \$900 million higher than the level in 1960. In this same period, record high levels of grain stocks have been reduced to manageable levels -- thereby reducing the cost of the farm commodity programs.

However, progress made to date is not satisfactory. The fact that fewer than 400,000 farmers earn close to a parity of income means that further help is needed by the family farm system which makes it possible for the American people to eat better and at lower real cost than ever before.

Therefore, President Johnson has proposed farm commodity programs improvements which would carry forward the goals he and Secretary of Agriculture Freeman have been working consistently to achieve:

1. A further strengthening of farm income which, in this most prosperous time, is far from adequate;
2. Further reducing the cost of farm commodity programs in order to free more public resources for the war on poverty, for education, for housing and for the many other programs designed to help people in rural and urban areas; and,
3. Maintaining of food costs at fair and stable levels.

The improvements are designed to:

\*Encourage greater use of the marketplace to bring a fair return to farmers in domestic and export sales. We would rely less on tax dollars, and we would seek to move away from use of export subsidies;

\*Assist small farmers -- whose age, lack of education or physical condition prevents them from shifting to other jobs -- through special provisions which will enable them to earn a better income with their present resources;

\*Enable small farmers with the capacity and desire for growth to acquire the resources they need for an adequate size family farm operation, and insure that those who seek to earn a decent living in other than farming or who wish to retire will receive fair and just compensation for their assets;

\*Provide the instrument for long-range adjustments in agricultural resources, recognizing that the need for balancing the supply of farm commodities with the demand will be of a long duration.

The proposed Cropland Adjustment program is designed to expand recreational opportunities and other non-crop land uses while it assists landowners to make the long-range adjustments they want to make.

Where the agricultural purposes of the program would also be served, funds could be used to assist state and local governments to develop recreation and wildlife, to beautify areas, and to prevent pollution. Because of our past experience with the pilot Cropland Conversion Program and the growing demand for recreation and enthusiasm for preserving and reclaiming our Natural Beauty, we expect that large acreages would be moved into new permanent uses through such a program.

These new proposed programs are another step toward creating a "parity of opportunity" for all rural people.

As we achieve "parity of opportunity," we shall see a corresponding rise in the demand for health-giving re-creating outdoor recreation in a more beautiful countryside. It is not enough to achieve the physical well-being of man and the economic health of his communities. Our objective as President Johnson has said, is not just man's welfare but the dignity of man's spirit.

Outdoor recreation in the natural beauty of rural America represents one part of the achievement of that objective.

The Wood s Ferry Recreation Area on the Sumter National Forest that we dedicate here today is an attractive and useful addition to your community and to this region. Wood s Ferry Recreation Area is, also, a symbol of a broad national movement that is building new dimensions into the quality of our civilization -- enhancement of natural beauty, of our countryside and cities, more and better opportunities to enjoy the beauty and relaxation of nature's environment, through outdoor recreation, elimination of the causes of poverty and building a prosperous and attractive rural America. Building this recreation area and developing it is symbolic of the things our Nation is doing as it steps up to a higher stage of civilization -- moving forward as President Johnson has challenged us to the Great Society.

I appreciate your giving me the opportunity to participate in your dedication here today.

Thank you.

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## CREATIVE CONSERVATION OF NATURAL BEAUTY

It is a special pleasure to meet tonight with fellow Virginians to discuss improving the beauty of our environment. We are especially pleased that your association came to Arlington for your meeting. Arlington historically is uniquely a part both of our State's and of our Nation's heritage. Today as for the founding fathers, Arlington serves as both a gateway to Virginia and a gateway to our Nation's capital.

We in Virginia are especially favored because natural beauty has always been a part of our common wealth.

Three centuries ago, the natural beauty of this region moved Captain John Smith to declare that "heaven and earth never agreed to frame a better place for man's habitation than Virginia."

The view of the Blue Ridge Mountains from Monticello is a grand today as it was in Jefferson's day . . . but the view from many another living room window is barren and lacking in esthetic appeal. The Potomac still flows majestically past Mount Vernon . . . but its waters are cloudy and polluted. In Virginia as in the rest of the Nation we have often disregarded beauty in our headlong pursuit of utilitarian values.

Nurserymen and the Department of Agriculture have worked together in friendly cooperation for a hundred years. Horticultural societies helped form the movement that led to the establishment of the Department. You and the Department have worked together toward improved varieties -- better cultural methods and landscape design -- greater appreciation of the importance of esthetic surroundings to man's cultural wellbeing -- new plant stocks.

You are familiar with many of the contributions of the Department and its

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Address by John A. Baker, Assistant Secretary, U. S. Department of Agriculture, before the Virginia Nurserymen's Association, Marriott Twin Bridges Motel, Arlington, Virginia, January 23, 1966, 6:30 p.m. (EST).

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cooperating State agencies in beautification of our cities and their suburbs. Our research benefits nurserymen. For example, discovery of the so-called "light switch" that controls plant growth enables you to make flowers bloom when you want them to, and to control the size and shape of plants. We also have developed a new method of applying pesticides under a mulch or cover to prevent pesticide drift. This permits you to treat one bed, and not harm sensitive plants in the next plot.

In particular, you have benefited from the work of our scientists in making new and improved ornamental plants available to the nursery trade.

Much of the research is done at the National Arboretum -- one of Washington's beauty spots and an outstanding demonstration of how ornamental plantings can be blended into a natural setting. Many of the flowers, shrubs, and trees now marketed are more hardy and disease resistant as a result of the work of the Agricultural Research Service at the Arboretum, at Beltsville, and elsewhere. I hope you will find the time while you are here to visit the Arboretum--also come back in May when the azalaes are in their full glory.

Our plant explorers are continuously searching remote parts of the world for additional plants that may have promise as ornamentals here. An expedition to the Himalayas last summer, for example, brought back nearly 200 rhododendrons, low-growing shrubs, and other plants. We are still searching for camellias that will be hardy further north -- a real need in northern Virginia.

The theme of this convention -- beautifying Virginia -- is not a new subject for you. You've been working effectively and skillfully at the job for a long time. You have done much to encourage people to beautify with trees and shrubs and plants -- to teach people to appreciate green things -- to build and treasure beautiful yards and parks.

Nor is your theme -- beautification -- new to the Department of Agriculture. Many of our activities have included the enhancement of the beauty of countryside and city as basic purposes.

But never have you and we been joined by so many allies. Because President Johnson and the First Lady shared these visions of a better and more beautiful America they have dramatically turned the attention of the Nation to this goal. This leadership has initiated concerted action all over the country.

Just a year ago President Johnson sent a dramatic message to the Congress on natural beauty. "Association with beauty," he said "can enlarge man's imagination and revive his spirit." And he added: "What a citizen sees every day is his America. If it is attractive, it adds to the quality of his life. If it is ugly, it can degrade his existence." The President's message articulated and focused the Nation's attention to our concern for natural beauty. His leadership put into action the concern of millions for a more attractive place in which to live and work.

Much has been accomplished in the year since President Johnson defined the beauty of our land as a natural resource and charted the course for the new creative conservation.

Nowhere is that progress more evident than here in the National Capital area. Early this month, preliminary plans were announced for making the Potomac a model of scenic and recreation values for the entire country.

The active leadership of the First Lady in beautifying the Capital City is an inspiration to us all. The First Lady materialized volunteers and government officials. Her efforts have already resulted in dramatic improvements -- not only in the Nation's capital but in cities and the countryside all over the Nation.

Throughout the country, people are rising to the challenge of the President and the First Lady.

The response here in Virginia is typical.

-- The Virginia Advisory Legislative Council has taken forthright action recommending laws to regulate billboards and automobile graveyards in the interest of a beautiful landscape.

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USDA 213-66



-- The Virginia Outdoor Recreation Study Committee, with Senator FitzGerald Bemiss as chairman, has completed a thorough study of recreation resources and future needs and has presented a creative and imaginative program of action for consideration by our Governor and General Assembly.

-- More than 1,000 Virginians attended and were inspired to action by the Governor's Conference on Natural Beauty last month, at which, among many other aspects of environmental improvement, the Bemiss Committee report and the proposed George Washington Country Parkway were discussed.

-- The fine movie, "Time to Begin," that you will see here has been released for educational purposes.

Our Governor and General Assembly -- and the many citizens working with them -- are to be congratulated on their prompt action in planning ways of preserving and enhancing your wonderful heritage of beauty. The State's outdoor recreation plan, which has been approved by Interior's Bureau of Outdoor Recreation, will greatly enhance the beautification effort. One of the proposals calls for the development of scenic roads leading to major recreation areas.

The Recreation Advisory Commission of which Secretary of Agriculture Freeman is chairman has observed with commendation the action underway in Virginia.

This active concern for a quality environment has been defined by the President as a new conservation. In doing so, he has broadened the traditional concept of conservation and that of beauty as well.

Conservation's concern, he said, "is not with nature alone, but with the total relation between man and the world around him. Its object is not just man's welfare, but the dignity of man's spirit."

First, it is a creative conservation of restoration and innovation as well as protection and development.

Second, it concerns not only nature but the total relation between man and the world around him. Restoring and salvaging the beauty and charm of our cities as well as protecting the countryside -- saving it from destruction -- and preserving and  
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enhancing its natural beauty.

Third, it must involve privately owned lands and properties as well as public forests and parks, because if the American countryside and cities are to be fully beautiful -- beauty must be a characteristic of the 85 percent of our land that is in privately owned homes and farms and forests.

This new conservation -- and the broader concept of beauty -- seeks to protect and enhance man's opportunity to be in contact with beauty. This means that beauty must not be just a holiday treat -- a part-time thing -- but a part of man's daily life. Beauty can enlarge man's imagination, extend his reach, quicken his zest for achievement, and enrich the quality of his life. We must think of man's total environment -- of the quality of life's constant experience that it provides him.

Throughout the Federal Government, creation of a quality environment has been adopted as a goal of all the programs and policies that touch on the physical environment of our citizens.

Secretary of Agriculture Freeman has made natural beauty a deliberate objective of all the Department's soil, water, and forestry planning and its programs for assisting and revitalizing rural areas.

Here are a few examples of the many efforts that are underway:

-- Members of 4-H clubs last year completed more than 325,000 home beautification projects -- and the number of projects is expected to increase.

-- A Louisiana landowner took the lead in planting beds of tulips in more than a hundred miles of sodded drainageways on a watershed protection project planned by the Soil Conservation Service.

-- In Georgia this is "Make Georgia Beautiful Month." The Extension Service helped make 500,000 trees available for planting. 4-H club members are conducting anti-litter campaigns, and abandoned, run-down buildings are being removed.

-- Twelve rural communities in Simpson County, Mississippi, now have sanitary landfills for trash disposal through the efforts of the county Rural Areas Development Coordinating Council.

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-- In the National Forests the Department is setting aside and maintaining areas in their native state for public enjoyment. The 12,000-acre Linfield Gorge in North Carolina is an example. Moreover, we are developing more National Forest recreation areas within one-half day's drive of Washington, Richmond and Norfolk. These are found on the George Washington National Forest of Virginia and the Monongahela National Forest in West Virginia. Last fall, President Johnson signed a bill establishing the Spruce Knob-Seneca Rocks National Recreation Area in Monongahela National Forest. During the past two years, hundreds of miles of free flowing National Forest rivers have been examined for possible Wild River designation. The proposal to establish a National Wild River System has passed the Senate and is pending before the House.

-- More than two-thirds of the new telephone lines financed by the Rural Electrification Administration are being placed underground, and long-span construction is being encouraged in building rural electric lines.

-- Adjacent to towns and cities, the Department's cropland conversion and cropland adjustment programs are helping establish open green space on private and public land for the enjoyment of urban residents. You should become acquainted with these programs and help us put unneeded cropland into better areas.

-- In addition, tree plantings for wind protection are being located to screen unattractive views at town entrances. In Mohall, North Dakota, for example, the Soil Conservation Service designed a highway shelterbelt that hides a dump and serves a snow fence to keep the road open.

-- USDA soil and water research has shown how attractive plants can be used to prevent roadside erosion. As a result, the embankments along a main highway in Garrett County, Maryland, are now protected by crown vetch, which provides a blanket of green in the growing season and a mass of purple blossoms for a month in early summer.

-- USDA research is supplying information on how to grow and protect ornamental

plantings, and how to care for lawns. As you know, we work closely with nurserymen and florists to make this information available to homeowners.

-- Two examples, more than 400 sales personnel from nurseries and garden supply stores attended recent Extension Service classes in Baltimore to learn of new developments in plants, seeds, fertilizers, and pesticides.-- in Montgomery County, Maryland, more than 10,000 visitors a year view the rose and lawn demonstration plot maintained by Extension agents, in cooperation with local suppliers -- the newly employed county extension agent in Arlington county is a trained horticulturalist.

-- The knowledge and experience of the Department in classifying farmland according to its best use helps urban zoning officials select the best sites for homes, industry, and recreation. With Department assistance, a swamp originally intended for use as a city dump at Stamford, Connecticut, was converted into a 30-acre recreation area.

-- Here in Virginia, Dulles International Airport is an outstanding example of how planned land use can contribute to the attractiveness of a major construction project. The entire site was developed according to a plan drawn up by USDA conservationists, and the inspiring architecture of the terminal is complemented by attractive plantings provided in the plan.

-- One of the outstanding imaginative examples of this new creative conservation is the green thumb pilot project organized by the National Farmers Union. Elderly, low-income farmers are being enrolled for highway beautification work in Arkansas, New Jersey, Oregon, and Minnesota. They will be trained for employment in gardening, landscape, and nursery work while they help beautify the state highways. The green thumb project is being financed by the Office of Economic Opportunity and by local contributions. This involves cooperation of nurserymen, the State highway departments and agencies of the Department of Agriculture. Such projects help solve many problems at once -- beautification, manpower training for landscape work, income for the low-income aged. Similar projects are involving the youth of the Nation.

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USDA 213-66



-- Secretary Freeman has challenged America's young people to become a driving force in the war on blight, through the "Youth for Natural Beauty" program. Luci Baines Johnson, the President's daughter, is the honorary chairman of this effort. Through this program, college scholarships were awarded in November to two teenage girls, from Missouri and Oklahoma, for their contributions to the beautification of their homes and communities. A great deal of creative energy and attention is thus brought to the beautification effort.

In cities and rural areas alike, we are beginning to practice creative conservation including beautification and environmental improvement. We are underway.

What we need to do now is inspire more private citizens and all their local organizations and governments to enlist in the cause. It is the individual citizen and his civic association, and planning commissions and local government -- alert, informed, responsive to proven needs -- who ultimately will decide whether the vision of a more beautiful America is to come true.

We need not only grand scenic parkways of State and National import, we also must have a bit of beauty along every country road. We must supplement the hiking trails in our National Forests and Parks with neighborhood trails, easily accessible to everyone, in all our local areas. We need to inspire all our people to strive for a quality environment where they live and work.

Established organizations can be motivated to do much toward beautifying America. These include civic groups, industrial organizations, local governments, cooperatives, 4-H clubs, farmer committees, soil conservation districts, park and planning commissions and many other groups -- we must alert and enlist all of them.

We also must stimulate the hundreds of Americans who have never before worked together in a joint undertaking. Nurserymen, working through garden clubs and civic associations and planning commissions and individual citizens, can play an important role. We must reach the people in every block, every neighborhood, and every crossroads community.



Moreover, when people get working together for beauty, they will begin to see other opportunities for improving their lives and their prosperity through joint effort of many kinds. Job and educational opportunities in the community can be increased. New sources of income can be developed for their farms, business and service establishments. The standard of living of many communities will be improved by installing a water system. Successful cooperation in even a small effort to make their environment more attractive may well lead to the beginning of other rural areas development activity. Through local initiative the community can be made a more rewarding place to live.

But recognizing the opportunities is just the first step toward a more attractive America. Mrs. Lyndon Johnson has shown us the way:

"If ugliness is to be dissolved, Americans must do more than talk about beauty. They must act. Inspired by industry, each one of us can try a little harder to change the face of our own community. But we need more than a trowel and a plea for volunteers. We need new horizons and new inventions . . . we need public-spirited men and women to win the wars against blight and decay."

The nurserymen of Virginia are and must be in the forefront of this great citizen effort to beautify our State and Nation.

Now is the time to implement the meaning and power of beauty as a national, state, and local goal.

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USDA 213-66





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I am extremely pleased to be here...to help you initiate this important and vital workshop.

Vital because it concerns people...important because it is an inovative new approach in format and purpose in this long series of annual meetings at Tuskegee.

We have come together to explore new ways to make public services available to low income people...new avenues to motivate them to action. Before we close, I hope you are convinced, and are encouraged to convince others, of the sincerity of the Department's desire to work with, and serve, all rural people who need help.

During the past two years, Congress has enacted more than 400 new programs to expand job opportunities, to improve education and health services, to eliminate poverty, to provide better housing, to help communities develop modern public facilities and services, to make big cities and small communities better places to live, work, and play.

The job now is to put these programs to work to serve those who need help most.

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Keynote address by John A. Baker, Assistant Secretary, U. S. Department of Agriculture, at the Professional Agriculture Workers Conference, Tuskegee Institute, Tuskegee, Alabama, 8:45 a. m. (CST), Monday, December 5, 1966.

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President Johnson recognizes this difficulty that Federal agencies have in serving a scattered rural population. He has directed the Secretary of Agriculture to work with all these agencies and to make the Department's field offices available to them in order that they might more effectively reach and serve all rural people and communities.

This is what we call the outreach function.

The leadership for this outreach function within the Department has been assigned to the Farmers Home Administration which will work through the technical action panels in full cooperation with Extension Service as it carries out the role of educational and organizational leadership.

Farmers Home Administration will form the administrative channel between the Rural Community Development Service in Washington and state, area, and county Technical Action Panels.

The change reemphasizes the Technical Action Panels as a focal point for community action. It places a heavy burden on those of you who work with these panels to make rural people fully aware of existing services and to help them obtain whatever assistance they need.

It is not enough simply to point people to the services that are available. You should actively follow through, see that they know whom to contact and help them take the steps required to obtain such assistance. This is particularly important in working with low income groups.

The Extension Service continues to carry the responsibility for educational and organizational leadership. In Washington, the Federal Extension Service has reorganized to have a division devoted exclusively to community development. Earl Pettyjohn, the leader of one of the workshop panels here, has been named the director of this new division.

Secretary Freeman has voiced the hope that these changes will enable us to accelerate progress in rural development -- to do even more to revitalize existing rural communities and to build new ones that offer everything the big cities offer, but without the big city drawbacks.

As professional agricultural workers you have a special responsibility to help local leaders build the communities of tomorrow that are needed in rural America -- communities that provide a wide range of jobs for their people, that boast modern homes and public services, that have a medical center and nearby college or university, that meet the recreational and entertainment needs of their citizens.

To develop more effective ways to do this, to learn from each other how to broaden the opportunity for better rural living, particularly for the poor and disadvantaged, is the purpose of this workshop.

The first step is to identify a need -- the need for a water and sewer system, the need for a Headstart class for pre-school youngsters, or whatever it might be. In identifying the need, we should work with the individual or community to motivate them to make the needed improvement.

Then we should help them locate Federal and State services that are available to aid in getting the job done. For example, if public housing is needed, and the community wants to develop such a project, we should help them find out to whom and where to write, and then when the public housing official has laid down the requirements for the project, we can work with the community to help them do whatever is necessary to qualify for assistance.

If there is no active Rural Areas Development committee in the area that they can work through, we should help them establish the right type of organization that they need. This might be a cooperative, a profit-motivated stockholder type corporation to finance an industrial plant, an association, or a private nonprofit group.

Finally, we should help them arrange to obtain whatever management or technical assistance they might need. For example, if it is a cooperative, someone to act as the manager, to keep books, to advise on buying and selling, or legal advice on how to protect against a lawsuit.

If they run into a problem that the county TAP doesn't have an answer to, the county panel can check it out through the State Technical Action Panel. TAP is a direct line of communication and action that can carry all the way to Washington, and to the White House if necessary.

Opportunities for individual advancement...and for rural communities to move ahead are greater now than ever before.

The new programs enacted by Congress open the gates to a better way of life for all citizens. But low income rural people cannot use what they do not know about. And it is your job to help get this information to them.

We need to tell people about these programs, how they can work, and how they have helped overcome problems in other communities.

Allow me to cite a few examples of what can be done successfully. Economic opportunity loans first became available in January of 1965. Today, we have made more than 32,000 such loans to help rural people improve their farms, to start or expand non-farm businesses, or to help finance cooperatives serving the disadvantaged. The large majority of the borrowers are more than 40 years old.

A survey shows that families using economic opportunity loans to finance nonagricultural business ventures nearly doubled their incomes. They set up more than 350 different kinds of businesses, ranging from millinery shops to mink farms, from television repair shops to restaurants.

Those receiving farm loans upped their income an average of \$900 a year -- going from \$2,500 to \$3,400 average gross incomes.

Those who became members of cooperatives received about \$300 in benefits.

But statistics tell only part of the story. More important are the human success stories behind the statistics.

In Hinds County, Mississippi, 30 farmers organized a cooperative and bought tractors, cultivators, cotton pickers and other equipment with their loan. The new equipment has completely changed their farming operations -- and their outlook on life. They are harvesting crops faster and with money-saving efficiency. They have made their first loan repayment and still have money left to meet their operating expenses for the coming year. One important human accomplishment -- their children didn't have to skip a month of school to pick cotton.

How do you count the benefits of that in terms of their performance in school the following year ... or their ability to get and hold a decent job 10 or 15 years from now because they went ahead and completed their high school education?

The economic opportunity loans to individuals used to be for a maximum of \$2,500. But now Congress has upped the ceiling to \$3,500. Often, we will make a \$1,500 loan to an individual. Then, when we see his business is going well and can expand, we might loan him another thousand and then another thousand, up to the \$3,500 ceiling.

These economic opportunity loans, through the Farmers Home Administration, can be coupled with their regular farm loans, and used to attain the position of an adequate independent family farmer.

Take, for example, the case of a former sharecropper and father of six in Prentiss County, Mississippi. He got his first regular FHA operating loan in 1962 -- four years ago. The year before that he grossed \$1,800 as a sharecropper. In 1965, his gross income exceeded \$10,000, and his farm had a net worth of about \$7,500. Recently he joined with about 100 other Prentiss County farmers to organize a cooperative to make and sell sorghum syrup. I understand this plant, financed by an economic opportunity loan, is "highly successful" and will help him build on advances he has already made.

Housing is a problem throughout rural America, and one of the most exciting approaches I know of to help people who need it the most is the new self-help housing program.

The Farmers Home Administration provides the needed funds. The families cut construction costs by supplying most of the labor. A construction supervisor is hired to work with the families.

In a southern New Jersey community, five families with incomes ranging from \$42 to \$67 a week built modern ranch-style homes worth about \$10,000 each. They saved around \$3,500 each by doing most of the work themselves, from laying concrete to putting up walls. In showing a visitor around his new home, one of the men, a 46-year old Post Office janitor, excitedly told of plans to plant fruit trees and a vegetable garden on the five-acre tract surrounding the house.



He had been renting a 60-year old weather-beaten home with outdoor privy. Another man, who had been a \$60 a week laborer, learned enough about home building to get a job as stock manager for a building materials supplier. Now he takes home \$120 a week.

In California, before they began building their homes, a self-help group met regularly to learn about home financing, equity, interest payments and the like. This inspired two members of the group to tighten their family budgets, whittling some \$600 off their family debts. A construction company president who was working with the group was so impressed that he hired the men away from their \$1.35 an hour jobs at a cannery. They now earn \$3.45 an hour. Mothers in the group attended classes too, getting pointers on such things as home care and family planning.

This program is just starting. We made only about \$400,000 in self-help housing loans during the past fiscal year. We expect them to exceed more than \$2 million this fiscal year. We believe the demand would support \$20 million in self-help financing next year. This is, of course, based on demand ... not necessarily how much funds we will have available.

Self-help is only one of our housing programs.

During the past year, Congress has further expanded and improved some of our regular rural housing programs.

For example, it makes it possible for developers to build small subdivisions in rural communities, and then tell prospective buyers to check with FHA to see if they are eligible for a housing loan. Previously, the individual had to arrange a loan before he could go to a builder and ask him to construct a house, or he had to buy a home that was previously occupied.

It is now possible for people who otherwise might not qualify for a housing loan to get a co-signer. For example, a young couple getting started, or an older man with no security, five children, earning \$70 a week, and renting might not qualify. But if there is someone in the family, or someone who knows them who qualifies and who is willing to co-sign, we can make the loan. Previously, we could allow co-signers only on housing for persons 62 years and older.

Nutrition is another problem area.

The important food programs of the Department have also been expanded and improved.

The food stamp program, as you know, was recently expanded to serve many new areas, particularly in the southeast. Many counties without direct distribution of food can use the food stamp program, because it is simpler to administer. No warehouse is needed. Just a certification office and clerical help to certify people.

We are also encouraging counties and States to expand the food donation program, which they can start immediately, and then be ready to move into food stamp as funds for expansion become available. If a county has warehouse facilities, that overcomes a major problem. If not, several counties might go together and use or build a central warehouse.

The child nutrition act passed by the last session of Congress includes a pilot breakfast program. Funds are extremely limited -- only \$2 million for the entire nation. This means there can be only one or two pilot programs in handpicked schools in each state. These breakfast programs are expected to start in January. Even schools that do not have feeding facilities

can qualify. Seven hundred and fifty thousand dollars was appropriated to help such schools buy equipment -- perhaps hot plates and utensils to fix hot cereals.

The act also extended the special milk program for three more years, and made pre-school operations eligible for both the breakfast and school lunch programs if they are part of the regular school system.

Operation Help which, as you know, helped extend food distribution to every county in Mississippi, has been extended at least through the end of this year. Under this program, the Office of Economic Opportunity financed the local share of food distribution costs. Similar programs are underway on a smaller scale in Georgia and Missouri. Funds must be found to expand this type of activity. In line with the stepped up food assistance in Mississippi, several counties have begun intensified nutrition programs. The Cooperative Extension Service and local welfare departments have trained nutrition aids who work at the distribution centers and call on families in their homes ... telling them how to prepare foods and plan menus.

This is another example of what we can do if we are determined and dedicated.

There are of course hundreds of other examples of successful efforts of rural people to help themselves and their families through Federal development programs. Each of you could add many more. We need to seek out these challenges and work even harder to make these opportunities available in rural areas.

These are but a few of the programs that individuals and communities can make use of -- that were enacted for their benefit by a concerned and responsive Congress.

President Johnson has directed the mobilization of the entire resources of the entire Federal government behind this effort.

In a recent speech in Dallastown, Pennsylvania, the President made note of the exodus of people from countryside to city, and said it was a universal migration, bringing heavy burdens to men and women in a hundred different lands.

"If we can begin to stem the migration in our land, we will make our mark on history," the President said. And he added:

"I believe that we have the brains and the will and the imagination to make our mark.

"I hope by my deeds as your President I will help to bring this about."

Your foresight and creative imagination in planning this kind of a workshop shows that you are dedicated to that same goal. The heavy attendance here speaks eloquently of your desire to advance the quality of life in rural America, and to insure that we make public services available to all who need them.

We of the Department of Agriculture appreciate this opportunity to discuss with you the details of developmental programs that can help revitalize our smaller communities and open the gates of opportunity for the people of rural America.

I thank you.

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You and I are old friends. Every year for the past 16 you have invited me to your state convention; each year you have greeted me -- not as a stranger -- but as a member of your family. For this, and for the positive role your organization has played in agricultural policy over the past years, I am deeply grateful.

The Farmers Union has a 65-year history of making right decisions for improved living in rural America, and picking the right people -- like your own Edwin Christianson and Jim Patton and Tony Dechant and Reuben Johnson -- to carry these grass roots decisions to Congress and to the U. S. Department of Agriculture.

The Department of Agriculture and your organization have worked together closely over the past 6 years to improve farm income and to revitalize and recapitalize rural America. This was not new for your organization. Since its beginning in 1902 in Texas, the Farmers Educational and Cooperative Union -- National Farmers Union -- has worked with government officials for the national interest and in behalf of the family farm and rural communities.

One of your early National Presidents, Charlie Barrett, was closely associated not only with members of Congress but with President Wilson, who invited your President to go with him to the conference that tried to work out a basis for permanent world peace after World War I.

That was not the first time -- and today will not be the last -- as Ed Christianson and Tony Dechant and I know from experience -- that Farmers Union people and Department of Agriculture people will be working together to develop improved ways of bringing more income, more job opportunities and better living to rural America in the national interest. President Christianson and your national representatives are in constant contact with the President and the Secretary of Agriculture and members of Congress.

It was your organization that fathered the phrase "farm prices are made in Washington." And you used that phrase to mean as well the terms of credit and ability to organize and operate cooperatives and many others of the dimensions of rural life that could be subjected to public control.

The importance of Farmers Union contribution to American law cannot be overstated. You and your leaders have been in the forefront of every legislative effort in the national interest -- education, medical care, social security and full employment and many others.

The founders of Farmers Union realized that securing equity for the farmer was a never-ending job. So they began to build. Your national president Charlie Barrett worked with President Woodrow Wilson and other farm leaders to develop a farm land credit system that would give farmers direct access to the nation's money markets to replace dependence upon a system of local credit monopolies. You insisted along with others that this new credit agency must involve the participation and supervision of both farmers and the Federal government.

This concept was written into law in 1916 with establishment of the first Federal Farm Loan Act, which established the farm land bank system of cooperative farmer-owned institutions under Federal supervision. Later, the Farm Credit Administration, established in President Franklin Roosevelt's Administration, expanded those concepts to farm production and credit for cooperatives. Bill Thatcher, now General Manager of Farmers Union GTA, played a big part in these efforts.

Farmers Union leaders such as Bill Thatcher and Jim Patton worked closely with President Roosevelt in establishing the Farm Security Administration -- now Farmers Home Administration -- and have been its strong supporters and defenders ever since.

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The list of causes your organization has championed -- and has seen enacted into law, is long and illustrious. You were an early and effective backer of rural conservation work programs to provide employment and income for underemployed farm people. You championed Free Mail Delivery for rural America -- and saw it become a reality -- the Capper-Volstead Act and Cooperative Marketing Act. You established marketing and supply cooperatives in a score of states -- and have seen them become a powerful force in the marketplace. You pioneered here in Northwest through your cooperatives various reforms in the commodity markets.

You sponsored legislation that created the Rural Electrification Administration -- and saw the number of farm homes served by central power sources rise from 11 percent of all farm homes, in 1935, to 98 percent today. You have steadfastly supported adequate appropriations to support the electric and telephone cooperatives you built. We are now faced with another crisis that I will want to discuss in greater detail in a moment.

You saw many senior citizens living out their sunset years in dire poverty, and so you championed, and saw enacted, Social Security for farmers and other self-employed persons. Your organization has pioneered, in cooperation with the Office of Economic Opportunity, the state highway department and the Department of Agriculture in the successful Green Thumb project.

You were early, vocal and continuing supporters of the Soil Conservation Service, the Federal Crop Insurance Program, the School Lunch and Milk Programs, Rural Areas Development, Food for Peace, and now, Food for Freedom.

Your advocacy of the School Lunch Program and later, Food for Peace, paid off in better diets for millions of children and adults, and at the same time provided a bigger and better market for your members.

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And so it was with your recent support of Rural Areas Development. Your organization realized that the problems besetting our great cities -- overcrowding slums, urban decay -- had their roots in a rural America lacking in educational, job and other opportunities, which hastened the rural-to-city migration of millions of untrained people.

The quite successful resource conservation and development project in West-Central Minnesota was born one morning during a Minnesota Farmers Union convention around a table in Stam Hall. It was one of ten original such projects in the nation to be approved back in 1964.

It encompasses an area of some 3.5 million acres in five counties. Nearly 140 project measures have been activated -- some of them already completed such as canoe and saddle trails, a new alfalfa dehydrating plant, numerous recreation areas, a soil survey study, and now I understand that a garment manufacturer is planning to move into the area and expects to employ about 200 people.

It is conservatively estimated that this RC&D project will add more than a million dollars in annual gross income to the area by 1970.

Certainly one of the major accomplishments of the Farmers Union has been its successful effort to focus national attention on the urgent need for better rural housing. I don't think Ed Christianson has missed a single Congressional hearing dealing with rural housing since he became your state president. It was Ed who revealed to the Senate Banking Committee, that nearly half of all the substandard housing in this nation is to be found in rural America where only a third of the people reside.

Ed Christianson never gave up during the decade of the 50's when the rural housing program all but dried up and was actually abandoned in 1955.

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USDA 3829-66



These persistent efforts brought results. In 1961, Congress passed a housing act that permitted rural nonfarm people as well as farm families to get loans from the Farmers Home Administration to construct, remodel or repair homes. Special provisions were made for senior citizen housing and for construction of modern housing for domestic farm labor.

Ed Christianson and the National Farmers Union kept plugging for still further improvements and expansion of the rural housing program and in the new Housing Act of 1965, the size of the program was more than tripled -- providing program level of \$350 million a year. In addition, it made it possible for FHA to make loans on previously occupied dwellings and increased the size of rural communities eligible for loans from 2,500 to 5,500. It also put the rural housing program on an insured loan basis, the same as the Federal Housing Administration -- thus permitting a much larger volume of available credit.

More recent legislation, adopted this year, lifted the \$300 million annual limitation on low and moderate income housing loans thus making it possible to move full speed ahead to give rural people the same quality of living which urban people have.

To give you some idea of the progress being made in rural housing, let me cite a few comparative figures. Since January 1961, the Farmers Home Administration has made over \$861 million in loans to improve rural housing as compared to a mere \$157 million in the previous six years. I call that real progress. We now anticipate that we will maintain an annual loan rate of between \$400 and \$500 million. This means an equivalent of between 40,000 to 50,000 new homes a year which will benefit more than 2 million rural people during the next decade.

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USDA 3829-66

Farmers Union has been closely involved in the growth and improvement of the rural housing program every step of the way. There are several lessons in this successful experience. First the program would not have gotten the attention it has if it had not been for the early work and efforts of Farmers Union -- back in the 50's. But all that work came to nothing until we had a Secretary of Agriculture who would take an active interest and push improved rural housing legislation at every opportunity -- Orville L. Freeman.

And neither you nor the Secretary could have been successful without the aggressive and interested support of Presidents Kennedy and Johnson, who each year for 6 years have included improved rural housing programs at a high priority position in their legislative programs. And there is still another lesson, improved rural housing legislation would not have resulted if you had not elected a series of Congresses who correctly understand rural housing as an essential part of revitalizing and recapitalizing rural America and who wanted to do both.

Along with expanded and improved rural housing, our efforts have resulted in bringing rural America to a full parity with respect to Federal credit and grant programs for water and sewer systems. These programs to help rural communities to have basic facilities bring an instant new dimension to the quality of living for rural people and greatly encourage new business and service enterprises.

Prior to 1961, less than a million dollars annually was loaned for these programs. Since 1961, the Farmers Home Administration has made more than \$230 million in loans and over \$18 million in grants to construct or expand nearly 1,500 water and sewer systems, benefiting more than a million rural people.

We project that under the new Aiken-Poage community facilities loan program that we can assist 1,400 rural communities every year to acquire these basic facilities that will mean so much to the up-grading of rural America.

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USDA 3829-66

Working together over the 6 years, we have made many gains and we learned that the combined efforts of an active right thinking Secretary of Agriculture, an understanding President of the United States and a progressive Congress were required. And we learned that to make progress is to stay everlastingly at it -- to work with our friends -- to make accommodations where required to adjust our aims to the problems of others who can then join us in pushing for mutual gains.

I have recounted our experiences and pointed out some of the gains in rural America not to turn our eyes to the past but to find the lessons they have for us in the future -- if we are to rebuild and revitalize rural America in the way the national best interest demands.

As Secretary Freeman recently said: "We intend to extend the quality of good living and a rewarding life to all who wish to live in rural America.

"And this we must do because at the present population rate we shall have another 150 million people by the year 2000 -- just a little more than a generation from now. This means we shall have nearly twice as many people in this country as in the last census count in 1960.

"The real race for space, for many people, will not be in space, but earthbound -- the race for living space."

As President Johnson said recently at Dallastown, Pennsylvania, we must give these people "the right to live where they choose."

But a rural America without economic opportunities, and bereft of the opportunity for gracious living to which all people in this society of ours are entitled, does not give people a right of choice. They have no alternative but to go to the cities.

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USDA 3829-66

On this point, the President put it bluntly (and I quote): "Not just sentiment demands we do more to help our farms and rural communities -- I think the welfare of this nation demands it ... and the future of our cities demands it, too."

I am sure you agree.

Now there are some current problems that I want to share with you.

First, President Johnson and Secretary Freeman are dedicated to attaining a full parity of income for family farmers.

Already, we have made great strides toward our goal. It has been a hard 6-year struggle.

Utilizing voluntary and mandatory supply management, carryovers of wheat have shrunk from a high of 1.4 billion bushels to a current figure of 536 million; corn carryover has gone from a high of 2 billion bushels to some 866 million bushels, and surpluses of dairy products have been eliminated. A good start has been made on eliminating cotton surpluses, which should shrink by some 4 million bales during the next marketing year alone, through the workings of the Food and Agriculture Act of 1965.

Nor was this job of surplus removal accomplished at the expense of farm income. Net farm income has risen from around \$11.7 billion in 1960 to more than \$16 billion in 1966, the second highest in history. Gross farm income will be the highest in history this year at \$49 billion.

Net income on a per farm basis is also the highest in history, having jumped from \$2,956 per farm in 1960 to an estimated \$4,900 in 1966 -- a 69 percent increase in six years.

Here in Minnesota per farm net income has gone from \$2,776 in 1960 to an estimated \$4,420 in 1966, an increase of \$1,644 per farm.

Overall, realized gross farm income in Minnesota this year will exceed \$2 billion -- the highest on record and some \$449 million more than in 1960.

This crop year now closing has been a good one. We want to preserve those gains. But as things now stand the economic prognosticators tell us there will be a small drop in farm net income in 1967, if something further is not done to improve the expected prices of wheat and feed grains. There are, of course, several ways this could be done. We seek your advice.

In some quarters, your 60 years of bitter education in the laws of supply and demand -- which has culminated in our current federal commodity programs -- again are being swept under the rug. After these many years, the cry is again heard to abolish our farm programs.

But the facts are simple, and stark, and should be known to every farmer. Although we will move an additional 25 to 30 million acres back into wheat and feed grain production next year, we will still have 20 to 25 million acres diverted from cotton and feed grains.

Without the commodity programs, much of this "surplus" acreage would move back into production, resulting in another round of surplus buildups and low prices as the market is smothered.

The basic potential for overproduction is unchanged, and for the foreseeable future we will need our programs, both to avoid the spectre of surplus buildups and as a tool to expand output of specific commodities when we need them.

We welcome your advice and counsel. We must work out some means to preserve the gains we've made in farm income and to prepare plans for further gains toward full parity.

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USDA 3829-66



You know and I know that we are in a tight situation on farm credit. The Government has already given a high priority to production credit during this period when the nation is trying to rebuild its food reserves. President Johnson shares with you the belief that interest rates are too high, but too low interest rates without collateral financial actions could cause a further drain on the dollar and quite possibly reduce rather than expand the volume of credit available to farmers and other rural credit needs.

We need to provide greater flexibility in our interest rates, never forgetting the expanding needs of family farm agriculture and the cooperatives for adapted useful credit at times when needed. You will need to support this continuous effort. Meantime, I can pledge you the support of President Johnson and Secretary Freeman to take those measures that may be required to maintain at least the essential requirements of farm credit during this troublesome period. We must continue to expand and further improve the available credit of the institutions of the Farm Credit Administration and the funds available through Farmers Home Administration.

You have built a great capability in rural America for improvement and growth by the successful experience in building rural electric and telephone systems with loans and technical assistance from the Federal government. If rural America is to progress further and obtain electric and telephone service on a parity with that of urban areas -- and no other goal is acceptable -- a source must be found for the financial resources required to permit the improvement and heavying up of the distribution systems and the generation and transmission facilities that stand behind them.

Our best estimates indicate that a total of \$15 billion will be required for our electric systems over the next 15 years.

This essential volume of credit simply is not and cannot be expected to be available directly from the Federal Treasury at 2 percent interest rates. Yet many systems for their survival require a continuation of a 2 percent loan program. This means that we must find an additional source of credit at higher interest rates for those electric and telephone borrowers who can afford it and still maintain parity of service and comparability of rates in rural America.

As you know, President Johnson proposed the establishment of a cooperative-owned rural electric and rural telephone bank to fill this need. As you also know, this proposal was not enacted by Congress. But the need still exists. New electric technology requires giant transmission and generation facilities. It allows and the public will require huge regional tie lines and greatly augmented steps to obtain greater reliability of service to prevent in the future great regional blackouts of power.

The rural electric systems must keep pace with the industry and its technology. To do so requires a large amount of adaptable credit. If we cannot find and put to work new credit sources, the rural electric and telephone systems will wither up and die on the vine just like the old rural mutual telephone systems did, and there were fewer farmers with telephone service in 1950 than there were in 1920. This same thing can happen to the rural electric and telephone systems we have now.

I hope that Minnesota and National Farmers Union people will be fighting alongside the Administration and the rural electric and telephone cooperative associations and the allied telephone groups to bring about enactment of the needed legislation.

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USDA 3829-66

Not only a farmer's sales but also the prices of things he buys determines the welfare of his family. We must be ever vigilant on that front. We need to encourage the growth and strength and stability of our great rural supply cooperatives like Farmers Union Central Exchange. We need to take actions required to prevent inflation of the prices of farm production and family living goods.

When the farm equipment industry, earlier this month, announced an "across-the-board" increase in their prices, Secretary Freeman sharply criticized the industry and pointed out that the increase means that farmers will pay an additional \$200 million this next year for operating equipment.

He said -- and I quote -- "I cannot call it either responsible or in the national interest for them to add to inflationary pressures by these latest increases."

We are taking action to strengthen the Farmer Cooperative Service not only to give farmers stronger hand in the selling of their commodities but also in the purchase of their supplies and needed services.

We have just completed another successful observance of October as Co-op Month. Ten Federal government agencies, including the Office of Economic Opportunity, participated in promoting cooperatives during the month. The President, 25 state governors and the District of Columbia issued proclamations. Last year only 20 governors observed Co-op Month. The month's activities even had a fine international flavor to it when the Ambassador from Denmark brought over a co-op display that was set up in the Department of Agriculture and officially presented it.

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USDA 3829-66

But probably most important of all, is the participation by the cooperatives themselves around the nation as they conducted special educational and management training programs during the month. In Minnesota 887 cooperatives sponsored newspaper ads appearing in 254 daily and weekly papers.

All of this is part of the encouragement by this Administration to give co-ops the needed muscle and thrust so they can truly provide economic bargaining power for farm families.

We are just completing the best year we ever had for rural America -- income-wise, credit-wise, development-wise. Rural America is on the move. It is a modern rural America -- its potential growth and development holds the promise of giving our Great Society the opportunity to step up to a new and better and higher level of civilization. Let us not miss our opportunities. Let us keep up our persistent progressive political pressure. Let us do those things we need to do to enable rural America to lead the way to the Great Society.

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To you who are graduates of the rural Community Action technician training program, my congratulations!'

As your theme indicates, you have been trained to go forth and help "Build a New Rural America."

Your goal is one to which I have devoted my own personal and professional life.

The importance of your task cannot be overemphasized. I want you to know you have support at every level.

What lies ahead for rural America and its people in the year 1980 and the year 2000 -- and how this affects the quality of life of all Americans -- is of overriding concern today to President Johnson. Secretary of Agriculture Orville L. Freeman has given the task of revitalizing and recapitalizing rural America absolute top priority within the U. S. Department of Agriculture. The Secretaries and Administrators of each Department and agency that can help the rural people of this Nation build a way of life that matches man's creative ability have pledged their support. The Congress has enacted creative new programs to help all Americans live a more rewarding life in the future.

But despite this new social legislation and dramatic economic advances, the extent of poverty in this Nation...particularly in rural areas...is still the most tragic story of our times.

Our Nation has not yet been willing to commit the resources and effort necessary to eliminate the complex interrelated causes of poverty.

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Remarks by John A. Baker, Assistant Secretary, U. S. Department of Agriculture, at Graduate Conference of Rural CAP Technicians Training Program, Wisconsin Center, Madison, Wisconsin, Friday, May 26, 1967. 9:00 a. m. (CST).

This neglect is not only unjust and cruel to the person directly involved, it touches the lives of each of us. Its impact is felt by our children, in the schools, through the drain of ever-higher welfare payments, through the cost of renewal programs, and in countless other ways. The problem grows greater and becomes more firmly entrenched as it is handed down through generation after generation of the poor. It weakens the very fabric of our national life, and it is loaded with political repercussions for those in a position to help, but who refuse to do so.

Rural poverty is at the root of the urban poverty problem. It has been shown time and again that the rural poor of today will become the city's poor of tomorrow -- that the big city slums are largely peopled by the offspring of persons driven from the countryside by economic change -- economic change that has created ever-widening deficiencies in job opportunities, in education, health, and other public and private services between Big City and Smalltown, U.S.A.

Rural poverty also is at the root of an urgent but as yet little understood crisis that confronts all mankind.

It is the crisis of rural/urban imbalance -- of too many people...too many of them poor...in too little space on the one hand -- and of too few people, with an even greater proportion of poverty, on the other.

This is a problem shared by many nations around the world.

We can see the dimensions of this problem here in the United States.

On the one hand, we have a rural America that is rich in space, air, water, and beauty, but in many areas devoid of economic opportunity for fully half its people.

On the other hand, we have an urban America that is reputed to be rich in opportunity, but which actually is starved for space, literally smothered by polluted air, over populated by chronically unemployed, plagued by too little water, too much traffic, and too many people who have neither faces, nor names, nor identity with their surroundings.

For years now, we have been exporting not only people, but problems from rural America to our cities, creating, in turn, new additional problems in both areas.

For the people in rural America, there is now too little of everything.

Almost one out of every two rural families has a cash income of under \$3,000 a year.

Almost half of the substandard housing of the entire country is found in rural areas.

In an age when the average family lives in a two- or three-bath home, one-fourth of all rural nonfarm families are without running water.

Too many rural adults left school too soon. Too many rural youths now are being forced out of school too soon.

People in our small towns and open countryside have access to less than half the number of doctors and less than a third of the dentists minimum standards would dictate.

Some 30,000 rural communities need water systems and 60,000 need sanitary waste disposal systems.

Counting underemployment of talent, time, and energy in rural America the unemployment rate is upwards of one in five -- the equivalent of a total of 2.5 million fully unemployed people.



As a result of these and other shortcomings in rural America -- in the past, our rural people have flocked to the cities. Too many still are searching in false hopes. Millions of them are untrained, ill-prepared and therefore unable to find and keep the jobs that are available. They find it painfully difficult -- if not impossible -- to adjust themselves to crowded urban life. They congregate in ghettos. Their misery feeds upon itself.

You know -- and I know -- but too few American people have awakened to the fact that we as a people now and increasingly will be forced to pay for rural poverty -- the cost cannot be escaped -- we are paying and will increasingly pay one way or another.

But we have a choice which way to pay -- to choose the alternative that in the long run will cost less and lead to a lasting solution.

We can continue to let people pile up in a few huge ungovernable megalopolitan complexes -- huge cities strung together by super highways running through endless miles of empty land.

We can continue to pay for the effects of this overcrowding and premature transplant of people as we have done, and are doing, in an endless stream of welfare checks -- in expanded palliative measures of many kinds -- in the agony and horror of increased crime and violence.

We can continue to pay, year after year, decade after decade, a human price -- for the ravages of poverty, even though leading sociologists, and biologists warn against it.

Dr. Rene Dubos, a noted biologist, expressed concern recently whether man can survive life in a big city unless drastic changes are made.

He said, and I quote: "The total response of man to man is an absolutely essential part of human development and there is a danger that cities are failing to provide that. The impersonal relationship of people in the cities is producing a gross impoverishment of individuals which could lead to the death of this civilization."

We can continue on our present course, or we can seize the initiative and direct our efforts toward an alternative articulated by Dr. Paul Goodman, a distinguished author.

His alternative?

"Revive the countryside by using it to solve urban problems."

Such a course would permit us to solve the problems of both city and countryside with one vigorous stroke.

We can pay the cost of programs to train the rural untrained, to educate the rural uneducated, to provide work for the rural unemployed and underemployed.

We can improve the quality of living in rural America by helping communities get water, sewer and recreation facilities, and by encouraging new plants involved in national expansion to settle there.

This second alternative is not only more humane -- in the long run it will cost far less money. It's the only course that makes sense.

Under Executive Order 11307 issued September 30, 1966, Secretary Freeman was asked by President Johnson to put the facilities of the Department of Agriculture field offices at the disposal of all Federal agencies to help them make their programs effective in rural areas.

In the same order, President Johnson asked each Department and agency head administering a program which can benefit rural people to assure that its benefits are made fully and effectively available to all in all rural areas -- even the remotest and the most poverty-stricken.

This is what we call the "outreach" function.

It is part of a government-wide effort to insure that rural community needs are met, that rural people know about and can obtain help from programs available from all Federal and State agencies.

The Department of Agriculture provides this outreach service at the State and local level through an organizational structure known as Technical Action Panels.

These panels now exist in all 50 States and in approximately 3,000 rural counties.

Membership is composed of representatives of USDA agencies, and other professional and technical specialists, and the panels are usually chaired by the Farmers Home Administration. The panels are assisted by Extension Service personnel, who in some States, also serve as panel members.

Representatives of other agencies engaged in the fields of education, health, welfare, and housing and active in the area are also invited to be on the panels.

These panels meet regularly as a formal experience-sharing body and direct their attention to meeting the major development needs of every rural county.

This organizational arrangement -- now being infused with new and vigorous leadership diverted from other areas within the Department of Agriculture -- is just one more move in our determination to revitalize and recapitalize rural America, to provide one-stop service for rural communities, and to give people a choice between living in the country and living in the city.

Through various agencies in the U. S. Department of Agriculture utilizing the full resources of the entire Executive Branch of the Federal Government we are striking at the roots of the whole rural poverty problem.

Our Farmers Home Administration is now advancing more than a billion dollars in loans per year -- four times as much as before 1961 -- to improve farm income and rural economic opportunities and living conditions. Through FHA we recently started a self-help housing program for low-income families. We also have made available more than \$80 million in Economic Opportunity loans to low-income families and to cooperatives that serve the poor.

We are making a special effort to reach the racially disadvantaged. In the past fiscal year, FHA advanced over \$50 million in loans for the benefit of 104,000 rural Negroes.

Many other USDA agencies are also helping to open the door of opportunity to low-income families. Our Forest Service manages 47 Job Corps Conservation Centers and supervises about 7,000 corpsmen. Forest Service projects employ about 8,000 young people in the Neighborhood Youth Corps and other programs during the summer months.

Our Agricultural Stabilization and Conservation Service is providing funds for thousands of needy farmers to carry out conservation practices. In addition, the income improvement and price support programs of this agency, while not large per crop for low income farmers, can mean the difference between their staying on the land or being forced onto the relief role.

Our Soil Conservation Service is providing technical guidance or supervision for about 1,500 Neighborhood Youth Corps projects in 33 States. SCS has given guidance and leadership in establishing more than 800 watershed projects. A study of the first 635 projects shows that they created 21,000 new jobs.

Our Extension Service has had a key role in helping establish more than 3,000 county rural areas development committees. Local Extension agents spend nearly two-fifths of their time working with families in the under \$3,000 bracket.

Our Rural Electrification Administration makes self-liquidating loans to bring light and power and modern telephone service to rural America. This creates thousands of jobs every year. In addition, REA borrowers in the past fiscal year helped set up nearly 450 projects to establish new small industries, new community facilities, new tourist attractions, and other projects which created an estimated 31,000 jobs.

Our Consumer and Marketing Service through the food stamp, direct food distribution, school lunch, milk, and child nutrition programs is doing a great deal to improve the diets of low-income people, especially children. Of the Nation's 300 poorest counties -- most of them rural -- 296 are in the school lunch program, 294 in the milk program, and around 225 are in the direct food distribution or food stamp program.

Through many programs -- and with the assistance of the Office of Economic Opportunity and the USDA -- rural people are beginning to break the chains of deprivation.

But, when we measure this progress against the size of the problems, we realize we have only begun to scratch the surface.

In the final analysis, we are concerned about the problems of our small towns and large cities because people are involved. Each human being has a unique worth no automated computer can deny nor adequately express.

We must work harder and move faster than ever before.

We must learn new methods and develop more effective programs as working tools.

We must combine our efforts with those of the poor themselves to help them attain their own goals and dreams in ways that are meaningful to them.



That is why I take great pleasure today in announcing that an agreement has been reached by the University of Wisconsin, the Office of Economic Opportunity, and the U. S. Department of Agriculture, to develop a pilot training program for OEO and USDA people who are working to eliminate rural poverty and revitalize small communities.

Jim Patton, a world leader of family farmers, proposed this idea. Its objective is to bring together for a 10-day to two-week training session OEO directors and staff of Community Action Agency program and USDA Technical Action Panel personnel and staff for a joint learning experience.

This effort comes basically from the spirit of public service that has always characterized the University of Wisconsin and from OEO's and USDA's desire to establish only the best understanding and teamwork effort between CAP's and TAP's at the state, multi-county district, and local levels.

The faculty for this course will consist of University, OEO and USDA personnel. The student body will be local leaders, and OEO and USDA field personnel. We think each group has insights, knowledge and understanding that shared with the others will improve the effectiveness of all.

Here then is another tool to move forward in the war on poverty -- ultimately to completely eliminate all the complex interrelated causes of rural poverty -- literally to bring about a rural renaissance.

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Mr. Chairman, distinguished members of the Public Land Law Review Commission, Governors' representatives, Advisory Council Members, ladies and gentlemen.

I am glad to have this opportunity to talk with you a few minutes -- to welcome you to this area that holds so much meaning for foresters everywhere.

This is the cradle of forestry in the United States.

All the impressive forestry progress we have made in this country had its beginnings in this vicinity.

Near here, Gifford Pinchot began scientific forest management back in 1892 -- just 75 years ago.

America's first forestry school opened close by in 1898.

Hereabouts under the jurisdiction of the Department of Agriculture are significantly important public lands in the National Forest System.

Here the concept of National Forests in the East became more than a dream.

Public concern over the wholesale cutting of forests led to passage of the Weeks Law in 1911. Later State Enabling Laws invited and urged the Federal Government to establish not only the Pisgah National Forest -- which I hope you will visit tomorrow -- but also other National Forest units in the eastern part of the United States.

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Statement of John A. Baker, Assistant Secretary, U. S. Department of Agriculture, before the Public Land Law Review Commission, at Asheville, North Carolina, May 29, 1967

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You will particularly want to see the Cradle of Forestry Visitor Center. This is one example -- and a very interesting one -- of what we are in the process of doing on all National Forests that have a heavy visitor load. Our purpose is to interpret to the public the meaning of the whole forest as an ecological system including man in his widest interests.

Unlike lands that were withdrawn from Public Domain, as in the West, these southern lands were acquired through purchase or donation. First to protect the headwaters of navigable rivers -- later as timber-producing lands.

In the four-State area of North and South Carolina, Georgia and Tennessee, the National Forests are multiple use lands of the broadest concept -- because of foresighted management plans -- and because of the burgeoning demands for all the services of the joint resource and environment.

Under multiple use, National Forests today are extending their assets and benefits far beyond water and timber, as important as these two resources still are.

Federal management has contributed directly to strengthening local government and local economies. These National Forests are today contributing significantly to building a more prosperous rural America and helping to establish prosperous and stable rural communities. The timber resource, utilized by private industry, provides jobs and payrolls. Their natural beauty and recreation assets engender sizable recreation expenditures and support payrolls in nearby rural communities. In many areas, recreation development on local National Forests has been the major force that revived the community and brought it new life and prosperity.

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We in the Department of Agriculture are clearly aware that in America today there is a conservation crisis -- a crisis that is of urgent public concern. At stake is the quality of man's total environment. This crisis will not go away just by thinking about it. It demands a personal involvement by all citizens and purposeful direction at all levels of government. Building a better environment for man is not something we can take or leave. It directly involves the survival of the human race. Conservation -- including preservation, restoration, development and use -- is a physical task, a social philosophy, and an economic necessity.

The Department of Agriculture is not content to take a "business as usual" attitude in the conservation crisis that is upon us. New directions -- new initiatives -- are vital.

The plans we make now, and the actions we take now and in the years immediately ahead, will determine to a large extent the quality of our living in the year 2000.

An expanding national economy requires a growing resource base. A rising standard of living demands a more wholesome environment. Fulfilling the needs of millions of people yet unborn cannot be assured unless we achieve full use of natural resources in ways that are compatible with the needs of man as a species. Planned patterns of land use must be instituted without further delay. The fruits of an expanding technology cannot be enjoyed unless technology itself is harnessed to meet the goals of the new conservation.

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Productive forests, pure air, clean water, stable soils, abundant wildlife, natural beauty, and the opportunity for man to live in harmony with his natural environment are essential. They are interrelated and mutually supporting objectives. We commit ourselves to meet this challenge -- to continue our tradition of helping people to help themselves -- to move forward with new actions to restore, preserve, develop and wisely use our natural heritage -- to improve our total environment for future generations.

Our forests, both public and privately-owned, embrace a bundle of resources spanning the whole conservation spectrum. There is commercial wood or timber, the base for a good share of our entire economy; water, which is essential for farm, industrial, recreational and domestic needs; outdoor recreation, which must meet the needs of millions more people seeking physical and spiritual renewal; wildlife with its hunting and aesthetical values; and overall the unquestioned natural beauty of the forest setting.

Now, let us briefly consider the resources of this four-State area (North Carolina, South Carolina, Georgia, and Tennessee) that are under the jurisdiction of the Department of Agriculture. The water, timber, recreation, and wildlife of these National Forests are increasing in value and economic importance all the time -- both to the immediate area and nationally. Grazing and mineral developments, while significant in other sections, are limited in this part of the country.

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Revenue sharing with local governments on the basis of the 25 percent fund formula came to \$1 million plus in 1965 and a little more than \$1- $\frac{1}{2}$  million in 1966 in the four-State area. On a per-acre basis, this amounted to about 34 cents in 1965 and 41 cents in 1966 -- plus contributions in kind such as fire control and road allocations to states.

#### WATER

These public lands are the headwaters of important navigable rivers and streams that serve some large and many small communities. Large industries have located in this area specifically because of the ample high-quality water supply.

Protection and management of these Forests play a significant role in regulating stream flow -- in production of high-quality water for numerous uses. The effects of forest cover on steep mountain sides in the prevention of erosion and sedimentation help prevent destruction of the 29 major reservoirs located within National Forest boundaries and the many additional reservoirs further downstream. These reservoirs include hydroelectric and flood control dams built by the TVA, the Corps of Engineers, industry, and electric power companies.

Watershed management requires not only protection but positive action based on facts and careful analysis. For this reason, a forest watershed research program was started some 30 years ago at the Coweeta Hydrologic Laboratory near Franklin, North Carolina. I hope you will take the time to observe this work.

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At this internationally famous outdoor laboratory, the Forest Service has pioneered new concepts in water yield improvement -- logging road location -- roadbank stabilization. It has been a demonstration area beneficial to managers of lands and resources in all ownerships. Research at Coweeta has provided a basis for present multiple use management on all National Forests designed to maintain yields of high-quality water in harmony with other forest activities.

#### TIMBER

Timber yields from healthy, growing forests can be expected to continue to increase. The current annual harvest is 225 million board feet from the national forests of this 4-State area.

#### WILDLIFE

Hunting and fishing are major activities in these forests. Wild boar hunts on the Cherokee and Nantahala National Forests are national attractions (about 80 are killed per year in each forest). Turkeys and deer attract hunters to these public lands. In round numbers about 1-½ million visitor days were spent on these National Forests in 1965 just for hunting and fishing.

The States are responsible for the management of the game and fish. National Forests manage the habitat for optimum conditions.

Mr. Chairman, I have tried in a few words to point out that these National Forests are a productive part of Federal land serving all the American people under sound multiple use and sustained yield management programs.

The Department of Agriculture intends to do everything in its power not only to keep these public lands productive, but to make them more useful -- both to the vicinity in which they are located and to the Nation as a whole.

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When acquired by the Federal Government, most of the land in these National Forests of the South was cut-over and burned-over desolate places. Even the 80,000-acre George Vanderbilt estate was fully logged before it became part of the Pisgah National Forest. These great forests have made a sensational comeback. They are now providing the benefits and services that a growing Nation has a right to expect from its natural resources.

I have invited you before, Mr. Chairman, and all of your official family, to visit National Forests in your home area. If you have not visited one recently or don't happen to be quite familiar with them, I can assure you it is an education in itself. Let me invite you again -- if you have not yet had the opportunity.

I am especially glad, Mr. Chairman, that you are letting us help you show these lands in the vicinity of your meetings around the country.

Mr. Chairman, may I again say a word of deep appreciation to you sir, for your courage and act of statesmanship in conceiving and working so hard to set up this important Commission. The Public Land Law Review Commission and its work holds promise of establishing another great landmark in the conservation of all of our natural resources. We hope and believe its work will be fruitful. Your work will move our country yet another step forward in the conservation of man's total environment.

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Today, in the city, in the country, almost everywhere, the American is demanding more to do in his leisure time.

Man, with all his ability to adapt, for all his domination of the "lesser" species, is still a child of the seas, the mountains, the open spaces. He wants to spend his spare time in such places.

He wants to relax; he wants recreation.

We know this. Now we must act accordingly. We must use what we know.

Later in the day, you will be hearing from the top USDA people concerned with recreation and administration. They will outline the wide-ranging Department recreation programs in detail. Question them closely and carefully, for we can help you. And you can help us in our efforts to operate our programs more imaginatively and effectively. You can help us use what we know.

Over a period of many years, law by law, Congress granted authority which brought USDA more and more into the recreation business.

The Forest Service has been in the business since it was founded in the early 1900's, because of the nature of the lands it administers and because of the foresight of some of its early Chiefs.

Long before the Food and Agriculture Act of 1962 was passed, the Soil Conservation Service, Farmers Home Administration, and the Agricultural Stabilization and Conservation Service had limited authority to foster outdoor recreational development, and did much with what they had. The 1962 act greatly expanded this authority. It amended Public Law 566 to include recreation in small watersheds, it allowed us to include planning and technical assistance for recreation on public and private lands, and gave us authority for Resource Conservation and Development Projects and Rural Renewal Areas.

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Remarks by Assistant Secretary of Agriculture John A. Baker to the National Recreation and Park Association-Federal Assistance Institute, Tuesday, June 20, 1967, 8:30 a.m. EDT, Washington, D. C.

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Then came another boost. The Food and Agriculture Act of 1965 provided for recreation and wildlife conservation measures under the Cropland Adjustment Program, and for parks under the Greenspan program.

Last year, Title III of the Bankhead-Jones Act was amended to allow FHA rural renewal loans to be made to local non-profit organizations engaged in recreation.

We are really just getting under way now. But we have already accomplished a great deal under these programs.

We have put idle acres -- those not needed for crop production -- to work producing recreation, or providing cover for wildlife, rather than lying in a sterile soil bank. We have put several hundred thousand acres of water to work providing recreation -- in addition to flood control. And we have launched 26 Resource Conservation and Development Projects, and 5 Rural Renewal Areas all with major recreation development features.

Many of these RC&D and rural renewal projects wrap up water based and shoreline recreation, municipal water and flood control into one package. All are planned in a comprehensive manner, one in which physical development is keyed into an overall community development plan, and recreation is given a prime spot. Also, many RC&D and rural renewal projects provide a tangible example of how soundly planned recreation resources can help a community attract industry by providing the kind of physical environment that plant-location experts demand.

Recreation facilities can attract industry. For example, a recreation area at Scotland's Neck, North Carolina, was recently credited with helping attract two plants -- one at Scotland's Neck and another at nearby Enfield. These plants will initially employ 100 people each.

(More)

USDA 1877-67

USDA has leaned heavily on the multiple-use concept, pioneered by the Forest Service. In the National Forests, the same public land that provides a timber harvest, also provides recreation, serves as a watershed, conserves the soil, and perhaps grazes cattle.

On private land, an acre of cropland taken out of production in the national interest can continue to serve the national interest by providing cover for game, or perhaps open space for the enjoyment of city residents. The dam that protects us from floods can also impound water for boating, picnicking, fishing, and can boost the local economy by attracting a new factory.

And so, bit by bit, over the years, USDA has hammered out viable recreation programs. Then, more than a year ago we decided to mold a Department-wide, unified policy for recreation development -- a policy that would program recreation as a primary USDA mission.

The result is a recreation policy that encompasses both public lands in the National Forests, and the three-quarters of United States land area in private hands.

As for the public lands:

Forested America must continue to play a major role in furnishing outdoor recreation opportunities to meet the growing demands of an affluent, mobile, and active public.

Recreation visits to National Forests are literally exploding. So, as part of the policy we plan to triple the capacity of National Forest recreation facilities to keep pace with the expanded use.



As it says in a new USDA publication, Resources in Action/Agriculture 2000, "Natural beauty and wilderness are among the finest attractions of forest lands; the trees, meadows, and waters of the forest are the natural home of big game species, small mammals, birds, and fish. This habitat will be improved by our intensified efforts."

We are well on the way toward completing studies of the National Forest portion of the Wilderness Preservation System, and by next fall we will have proposed that 12 more wilderness areas totaling more than a million acres be included in the system.

USDA has strongly supported both the proposed Scenic Rivers and National Trail System legislation, and is planning to provide major segments of both systems within the National Forests, when and if they become law.

The Department was an early proponent and is now an active supporter of the Land and Water Conservation Fund -- the Golden Eagle program -- an act which allowed us to acquire the 18,000-acre Sylvania tract in Michigan, and that has funded other badly needed recreation lands in the East.

I mentioned a moment ago that recreation visits to National Forests are literally exploding. To be more specific, last year they received some 151 million visitor days of use -- 43 percent of the recreation visits to all Federal lands.

If we use the Mississippi River as a dividing line, some 66 percent of our population lives east of the river. Yet only little more than 8 percent of our National Forests lie in the East.

The population center of the United States -- the point on which the U. S. would balance if every person in it weighed the same -- is in Illinois.

The National Forest centerline -- the line on which there is as much National Forest acreage to the east as to the west -- runs through western Wyoming, somewhere near Rock Springs.

This means simply that the public lands are where the people aren't. This has important ramifications in the Department's recreation policy. While we are bending every effort to upgrade the National Forests' recreation potential, we also are making plans to put recreation where the people are.

On May 3, Secretary Freeman gave the highlights of our new policy. These highlights, he said, are:

"1. More emphasis on recreation developments on private lands in rural areas, for those landowners who want to build them, and have the capacity to manage them, with a view toward providing the recreational opportunities needed and desired by the American people.

"2. USDA agencies have been directed to provide the research, technical, educational, and financial help needed to strengthen existing programs for private land recreation. A high priority has been assigned to these programs.

"3. Special attention will be devoted to income-producing recreation in low-income rural areas as a means of creating more jobs and new sources of income.

"4. USDA will seek to establish recreation development in connection with each watershed project carried out with public help.

"5. Recreation research activities will be greatly expanded to catalogue private lands suitable for recreation, to determine what the recreation-consuming public wants, and to discover the thousand-and-one items that spell success or failure for the individual enterprise."

As for the private lands facet of the new policy, the goals we hope to achieve are:

first, to create a geographic pattern of development that puts more recreation facilities where the people are;

and second, to provide a proper "mix" of outdoor recreation, so families on all economic levels -- rich or poor -- can satisfy their individual needs; one that provides for the varying recreational tastes of the Nation;

Peoples' taste in recreation varies as much as their taste in houses, automobiles, clothes, or ice cream. A proper mix of recreational facilities -- from a farm-based vacation, swimming in an RC&D lake, skiing in the National Forests, golfing on an FHA-financed course, to the solitude of wilderness -- is vital.

And all of this requires planning, comprehensive planning. Without such planning, recreation is all too often ignored or overlooked, or occurs only as an afterthought rather than a prime consideration.

As Secretary Freeman has pointed out, "a good Blueprint requires a good draftsman." But too many rural and urban areas today lack the trained, professional recreation planners to prepare comprehensive programs of community development. Because of this, requests for Federal assistance are often rejected as unsound or are subject to frustrating and time-consuming delays.

Planning must be done at the local level -- not in Washington. Unless the people plan for programs -- Federal, State or local -- these programs have very little chance of getting off the ground.

Today we hear much about the hostility between man and his environment. We hear that there is a basic antipathy between the nature of man and what he has fashioned for his domain. We hear that modern man is living in violation of biological law, and that this unnatural existence is taking its toll in weakness of spirit and mental disease.

When did it come about, this hostility between man and his world? Some say within the last generation.

In 1910, most Americans still lived in the countryside. The 2,300 towns in existence then had average populations of less than 10,000, and were separated from one another by miles of open land and virgin forest. Whatever the hardships in those days -- and they were considerable -- there was at least the compensation of natural beauty . . . of plenty of beautiful open space or forest land to relax or play in.

But by 1960, most Americans lived in 6,000 urban concentrations. Twenty-five of these had populations of more than 500,000, and were spreading into one another.

Space photographs discern what appear to be single cities stretching 500 miles from Chicago to Buffalo . . . or 800 miles from Richmond to Bangor.

Today, 35 million Americans are jammed into a narrow strip of Eastern Seaboard running from Washington, D. C., to Boston, Massachusetts.

Each year, another 3 million Americans pour into the biggest cities. And with each incoming wave of humanity, a million more acres of fields, woods and hills near urban centers are swallowed up by asphalt, concrete, shopping centers, and housing developments.

And while the suburbs too often are sprawling without grace, rhyme or reason, the inner cities too often are rotting with decay.

Billboards, garish neon signs, undisguised trash depots, rundown housing, parking lots instead of parks, waterfronts cluttered and defaced with concrete plants, railroad spurs and elevated expressways. These are the sights too many harried city workers see as they go to work and return home in bumper to bumper traffic.



They breathe not fresh air but noxious fumes. They hear not the meadowlark but the cacaphony of auto horns. They see not vistas of natural beauty but skylines of ugliness.

Where -- in all this -- is man to find the relief and solitude he is seeking, and in fact demanding?

First we must do whatever is necessary to make our cities livable. But we must do more.

Second, we must help city man to find this relief and solitude in vistas of open green space, in beautiful, well-planned recreation areas -- both rural and urban.

And thirdly, we must make rural America an attractive and prosperous enough place to live and work that a higher and higher proportion of our population will reside there.

Happily, the outlook is not as bleak as it once appeared. We have it within our power to bring about these needed improvements in man's social and physical environment.

Yes, more people must be enabled to live in the countryside where recreation is and recreation areas must be put where the people are. They must be attractive recreation areas. They must provide a change of scenery, so to speak, for those who live in rural as well as urban areas.

In The Prince, Machiavelli wrote that "There is nothing more difficult to take in hand, more perilous to conduct, or more uncertain in its success, than to take the lead in the introduction of a new order of things."



Maybe so, but that is just what we -- all of us -- must do. We must take the lead in introducing this new order of things in the field of recreation -- because if we don't, I fear we will eventually face a situation far more difficult, far more perilous, and far more uncertain than now -- a situation that will literally endanger the survival of man by not giving enough attention to his natural habitat.

We can't attack this problem of a lack of recreation opportunities in a piecemeal manner.

With our new policy, we are seeking to join together the pieces which I referred to earlier.

. . . The National Forests and their tremendous public recreation resources which includes most of the wilderness areas in this country.

. . . The Soil Conservation program, reaching every farm virtually in this Nation with a skilled technician and program in every single county in the U. S.

. . . The ASCS, where hundreds of thousands of acres of land are rented out of production each year -- that land now largely moving into related recreation uses, some of it permanently as a part of Greenspan in the development of local parks.

. . . The Farmers Home Administration, which loans more than \$1.3 billion a year -- probably the greatest loaning institution in the country. Incidentally, the FHA -- with an office and technical people, trained supervisory people, in every single county in the U. S. -- can loan to associations, to small towns and to individual farmers.

. . . And the Extension Service with people in every single county in the U. S., many trained in recreation work of various kinds.

These are functions we are trying to pull together with related research into the seamless web of a total systems approach to a Department program in which all of these agencies will not think in terms of their agency, and their programs, but in terms of the total target, the total goal which is the recreation program, both public and private, which will be designed to reach the needs of this day.

We are not, nor can we be, sitting idly at anchor, drifting aimlessly with the tide -- not any more. You are involved in the most important work that any American can be involved in: the work of saving and building an environment fit for man.

I hope you will press our people who meet with you today for practical answers to your most stubborn problems.

I hope the Department of Agriculture can be of increased help to you in this most important task in future years.

Thank you.

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Office of the Secretary

I am pleased to participate in this Federal Assistance Institute and to discuss the role of the U. S. Department of Agriculture in helping to create new outdoor recreation opportunities.

Together we face a dramatic challenge in the rising demand for outdoor recreation in our dynamic society.

We anticipate that by 1975, water-based recreation needs will increase by 170 percent over what they were in 1960, and by 400 percent by the year 2000.

The demand for hunting lands will increase by 125 percent by 1975, and up to 200 percent by 2000 -- and 90 percent of this activity will be on private land.

The demand for camping areas will increase by at least 160 percent by 1975 and by 250 percent by 2000.

These are some of the measures of the challenge we face.

We will be able to satisfy that demand through full cooperation and hard work by both public and private organizations and their members.

When Secretary of Agriculture Orville L. Freeman addressed the first Federal Institute of the National Recreation and Park Association, he laid down policies of increased USDA emphasis on assisting outdoor recreational development on both public and private lands.

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Address by Assistant Secretary John A. Baker before the Federal Assistance Institute, National Recreation and Park Association, at 8:30 a.m., EDT, Tuesday, July 18, 1967, Ambassador Hotel, Washington, D.C.

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Secretary Freeman set twin goals for USDA policy in furthering recreational development. The first goal is to put outdoor recreation where the people are. The second is to provide a proper "mix" of outdoor recreation, so that families of all economic levels "can satisfy their individual needs."

Secretary Freeman also established these additional policies:

More emphasis on outdoor recreation on private lands in rural areas.

High priority assigned to USDA programs of research, and technical, educational, and financial help in developing recreation on private land.

Special attention to income-producing recreation in low-income rural areas as a means of creating more jobs and new sources of income.

Recreational development in connection with each watershed project.

Expanded research activities to determine needs and potentials for recreational developments on private rural lands.

The Department recognizes that outdoor recreation development contributes in an essential way to the psychological well-being of the present and future generations; to economic growth and improved opportunities for employment; and to needed adjustments in land and other resource uses.

Recreation, as USDA sees it, is a vital part of the total resource conservation package. Nature is totally inter-related. Therefore, the management of our natural resources must be inter-related and the various parts compatible with each other. A clean and adequate water supply, a well-tended landscape, good forest management, natural beauty -- all are necessary to the development and enjoyment of recreational areas.

We are not planning resource use effectively when we consider only the recreation need and the recreation potential. We must consider the total demand upon available resources, and then consider how multiple uses of these resources can best satisfy multiple needs.

Recreational development can be made compatible with many other competitive uses for the available land and water.

USDA's programs that assist in recreational development came into being gradually over the years as the concept of multiple land use has been more broadly and more intensely applied. Land taken out of crop production because it is not needed for crops or because it is not well suited for cultivation serves as open space for urban residents, for wildlife cover, and as forest land suggesting various recreational opportunities.

We have helped to build many dams in upstream reaches of small watersheds for flood control. And the water impoundments behind these dams serve increasingly as water supply for municipal and industrial as well as for agricultural use, for wildlife conservation, for fire protection, and for water-based recreation.

Clearly, this broad multiple purpose use is possible only by reconciling the conflicts that can result from highly competitive water requirements. For example, the recreational potential of a watershed reservoir may be curtailed by heavy seasonal water use for other purposes; and, indeed, neither recreation nor fish and wildlife conservation may be possible on a sustained basis because of the fluctuations in water storage at the reservoir.



These are matters that must be understood when planning a multiple purpose structure. But the point I wish to make is that recreational development, as part of the total resource conservation package, must be considered in relation to all other elements in the package. USDA is prepared to help you relate outdoor recreational development to the total resource base.

USDA can help you and the millions of people you represent with grants, loans, cost-sharing, and technical assistance. The bulk of what we have to offer, however, is in the form of service -- the technical knowledge derived from many years of experience, research, and on-the-ground application of resource conservation measures. Our purpose is to help, not to direct.

USDA agencies are represented here today to give you details on their programs and services. However, I should like to highlight these various programs.

The Soil Conservation Service provides technical assistance through local soil and water conservation districts for recreational development on private lands, and gives technical and cost-sharing assistance for recreational development in small watershed projects.

The Forest Service provides information and consultation on forestry and forest recreation through State and local foresters. The Forest Service, of course, manages the 187 million acres of publicly-owned land in the vast National Forests and National Grasslands.

The Farmers Home Administration provides loans to low-income farmers and to rural non-profit associations for recreational development.

The Agricultural Stabilization and Conservation Service cost-shares in conversion of cropland to recreation, and in conservation practices that increase a farm's recreation potential.

The Rural Electrification Administration may make loan funds available through its borrowers to qualifying individuals or groups for large recreation installations.

The Federal Extension Service, in cooperation with State extension services, in many areas provides management training and organizational services to rural people interested in outdoor recreation.

The Agricultural Research Service is constantly searching for new and better ways to enhance the recreational potential and the natural beauty of rural areas through improved resource conservation measures..

Through the Greenspan program, administered by the ASCS, USDA is helping urban communities purchase rural fringe land for parkland use. Greenspan helps to provide more open space for cities, towns, counties and States. Cropland that is not needed for crop production is converted to open green space, public recreation, wildlife habitat, and natural beauty. The Federal Government cost-shares developments for this purpose.

Cities and towns may help sponsor flood prevention and watershed protection projects, administered by the Soil Conservation Service, and many do. As I mentioned earlier, these projects offer a grand opportunity for water-based recreation. You will find a complete run-down on these projects and their potential in the literature available at the press table.

A new regional approach to more effective resource management is the Resource Conservation and Development project. Twenty-six of these projects are now under way, and recreational development is an important

purpose in every one of them. We are proud of the assistance USDA is able to give these ambitious comprehensive resource projects.

Looking to the year 2000 and beyond, as well as to the needs of today and the immediate future, the Department has just developed and issued a comprehensive Department-wide policy on Conservation. This is stated in the publication "Resources in Action -- Agriculture/2000." Here the policy is stated that "a primary function of USDA is to assist in developing more outdoor recreation enterprises in rural America through wise use of privately owned natural resources, risk capital, and initiative." A copy of "Resources in Action" is included in the folder containing information material which is available to you.

I call your attention to the assistance USDA is giving to rural land-owners and operators in establishing income-producing recreation enterprises on their farms and ranches. This has come to be an important means of income for many rural people -- for some, the chief source of income -- and has provided urban people with a unique opportunity to experience life on the farm. Any rural landowner anticipating a recreation business needs all of the best available advice and guidance that he can get, and we aim to see that he has an opportunity to get this help when he needs it.

USDA policy of emphasizing recreational development on private land stems from our response to a number of circumstances and the needs of American people -- both urban and rural.

The greatest bloc of recreation land in the Nation, the National Forests, and other national recreational areas, are located for the most part where the majority of Americans do not live. As Secretary Freeman has noted, the "population center" of the United States is in Illinois, and the "national forest center" is in western Wyoming. Most of the 187 million acres of National Forests and National Grasslands are too far from most of our major population centers to serve local or regional recreational needs of our largest cities.

Also, there is a critical shortage of Federal money available for recreational development. State and local money won't be sufficient to provide the needed share from these sources for public recreation lands where they are needed.

And, the American public, with more leisure time on its hand, and with the pressures of modern living bearing ever more heavily upon the urban resident, requires -- and is demanding -- more outdoor recreational opportunities, close to home.

We can't move the forests, any more than we can bring the seashore to the central plains. But we can develop and manage our water resources, and protect and develop areas suited to parkland, throughout the Nation, so that adequate playgrounds will be available near the centers of population for the weekend outing close to home.

So we turn increasingly to the private sector to provide the needed recreational land and opportunities.

As with all USDA programs of assistance, recreational development must be accomplished essentially at the local level. Local initiative, local planning, and local participation are the basic strengths of these programs.

On this point I want to pay a word of tribute to the nearly 3,000 soil and water conservation districts in the Nation through which much of the assistance provided by the USDA is channeled. The conservation district is as stout a supporter of outdoor recreational development as the conservation-minded recreationist will find.

Active leadership and cooperation among local agencies and organizations are essential to the success of the programs you will be hearing about today, and for that matter, throughout this Institute.

Your support -- and the support of other private organizations -- is needed to advance progressive legislation in resource conservation and recreational development for public benefit.

USDA's help in outdoor recreation depends upon an interested Congress, and this interest is evident by the several Acts and amendments which the Congress has approved in recent years.

For example, the Food and Agriculture Act of 1962 amended Public Law 566 to provide cost-sharing for water-related recreation development in small watershed projects. This Act also authorized Resource Conservation and Development projects.



The Wilderness Act of 1964 endorsed the Department's establishment of wilderness areas in National Forests.

The Food and Agriculture Act of 1965 provided for recreation and wildlife development under the Cropland Adjustment Program. The Greenspan Program comes under this authority.

In 1966, Title III of the Bankhead-Jones Farm Tenant Act was amended to permit the Secretary of Agriculture to cooperate with, and make rural renewal loans to local non-profit organizations, and to include the development and protection of recreation facilities among purposes of rural renewal programs. Recreation thus is considered along with other renewal proposals as a single development.

Legislation introduced in the present session of Congress would further amend the Bankhead-Jones Act to permit USDA technical assistance and cost-sharing in Resource Conservation and Development projects for public recreation and fish and wildlife developments.

These milestones mark the way to future accomplishments in outdoor recreation. They constitute meaningful recognition by Congress that the park and playground are essential to the welfare of the American people, and that it is sound policy for the Federal Government to support outdoor recreation as a vital national concern.

Now, I realize that some of the USDA conservation programs that benefit recreation development, while of direct interest to everyone, may not be currently applicable to your specific recreation assignment.

But as soil and water conservation districts come to work more closely with urban-oriented groups, and as States and local jurisdictions provide greater support for conservation programs, community recreation officials and specialists will have an increasingly greater direct interest in all USDA conservation programs.

Outdoor recreation is a vital factor influencing the quality of our total environment. The park and playground is, essentially, a resource conservation project -- preserving, developing, and managing the landscape for the enjoyment and comfort of the people. We need this, in America, more today than ever before, and more of it today than ever before. In our fast-moving society our spirits need often to be soothed and renewed -- and forest, field, and stream have the magic qualities required for that.

Recreation is many things to many people. It is not all active fun and games. Very often it is quiet relaxation in a grove of trees or along a waterway. But whatever form it takes, recreation is intended to renew the spirit, and this is possible only where natural beauty is respected and preserved.

Secretary Freeman, in setting down USDA's recreation policy for the future, reminded delegates to the first of these Institutes that we must, in this Nation create an environment in which man can pursue a civilized, rewarding way of life.

Secretary Freeman said that "Today, in the city, in the country, almost everywhere he goes, the American is confronted with an environment dominated by his own wastes and his own technology."

Recreation is not at home in such an atmosphere. As a form of conservation, recreation is allied to beauty in the natural environment.

This is a critical time in our national history when strong and determined help is needed on behalf of forest, field and stream. There is no greater challenge on the American scene today than the one posed to dedicated and organized conservationists. And the strength that comes with unity can assure that this challenge will be met effectively everywhere in the Nation -- before it is too late.

The willingness of the individual American to adopt a protective philosophy in his personal behavior on the recreational lands is the only real hope that America will conserve the rich endowment that nature has bestowed upon us.

The public needs to understand, too, that recreation is not free -- no more so in our public parks than in private recreational enterprises. Our public recreation facilities are not going to grow to serve an expanding population -- with stiff competition for needed parcels of land, and with purchase, development, and maintenance costs -- unless the public is convinced of the need and what must be done to satisfy it.

Recreation is a product of the forest and the field. It is an essential consumer item in the public marketplace. I am not sure that we often look at public outdoor recreation in just that way. But we should.

It behooves the local community, and State government, to support conservation efforts that accrue to the broad benefit of the general public. Cost-sharing recreation developments -- and other conservation work, too -- is one way to help. We may be certain that more State and local financial assistance will be required in the future.

Government agencies and private organizations are going to have to cooperate more effectively in order to accomplish these important aims. I am referring to all natural resource agencies of government and all private resource conservation groups.

I hope that the National Recreation and Park Association will always consider itself essentially a resource conservation organization, concerned with more than recreation in its many forms.

A dynamic recreation program is not possible without a dynamic resource conservation program overall.

USDA's concern with flood control, soil erosion prevention, abatement of stream pollution, the development of adequate and usable water supplies, and sound forest management is your concern, too. It's all part of the conservation package -- all elements of improving man's total environment. Recreation occupies an important place in that package. That is why we are meeting together -- to discuss how, as fellow conservationists, we can cooperate more effectively to realize the multiple goals of conservation with particular emphasis on how outdoor recreational development fits into the conservation package.

I know we can be of assistance to you. And I am confident that our mutual interest and united endeavor will serve the broad resource conservation needs of the American people, along with the particular recreational demands of our growing population.

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U.S. Department of Agriculture  
Office of the Secretary

It is my great pleasure to be here with you today to help mark this important time in your tribal history -- for today a new era begins for the people of Puerto-Cito. You are bringing electricity to your reservation from the Socorro Rural Electric Cooperative.

The initiative you have taken in bringing the advantages of electricity to the Puerto-Cito Reservation is in keeping with your proud history -- and in keeping with the other work you are currently doing to further improve life for your families.

As you may know I am deeply involved in and concerned about the efforts of people in the towns and small cities of the American countryside to develop the resources, economy, and living potential of their area. The United States Department of Agriculture has re-organized, and has formed its field personnel into Technical Action Panels to provide maximum support to local development efforts. We also are coordinating community improvement efforts at the Federal level by Presidential directive. These efforts, however, are futile if people in rural areas do not initiate social and economic improvements themselves. We can only help people achieve what they themselves want and are working to attain. In this respect, the Puerto-Cito reservation is a lesson in progress for all rural America.

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Remarks by John A. Baker, Assistant Secretary, U.S. Department of Agriculture, at dedication of rural electric facility serving the Puerto-Cito Reservation, Socorro County, New Mexico,  
Saturday, August 26, 1967 12noon (MST).

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I wish many communities would organize their efforts at self-improvement as well as you are doing here. Your home building program -- initiated and planned by you and financed by the Navajo tribe -- is the kind of accomplishment I would like to see more of throughout the towns, small cities and countryside of the United States.

You have brought new homes to Puerto-Cito...then new wiring in the homes...and now electricity through 92 miles of line with all its new benefits -- benefits that do not stop with convenience and comfort in the home -- benefits that extend to the crafts shops -- benefits that extend to the new opportunities for investment generated by electrical development, investment by the Navajo Tribe right here in Puerto-Cito.

Investment expands employment, payrolls, consumer services, health and educational facilities and, of course, spurs still more investment. The number of stoves and refrigerators sold in Socorro already shows a rise in business activity with the advent of electricity on the Puerto-Cito Reservation.

Tourism is big business in most rural areas of the United States. I am certain tourists are important to the business economy of this community as well. Electricity will enable you to expand tourism in this area -- to attract more people and make their visits more profitable to the local economy.

(more)

USDA 2681-67

I have found a lesson here in what people can accomplish by helping themselves. Along with this, Puerto-Cito illustrates another great lesson in progress for smaller communities. You are not migrating to the cities or to new areas when you encounter difficult problems here. You are staying to solve the problems of this community and in so doing you are creating new opportunities at your doorstep.

The rest of rural America shares this philosophy and would like to do as you are doing. But sometimes the economic and social problems grow too great. The individuals and whole families migrate, usually to our larger cities. These people are not only missed back home as neighbors, but rural and small town businesses also feel the pinch.

This outmigration undermines the tax base, reduces the money available to support schools, to build roads, to improve public services. This in turn causes even more rural people to look to urban centers for a solution to their economic and social needs.

Some of those who moved find in the cities the jobs, schools, libraries, and conveniences they are looking for.

For tens of thousands of others, who are less equipped in terms of education and skills, the city has no more to offer than the rural areas they left behind. They not only fail to solve their own problems, they add to the huge mass of untrained manpower already clogging the cities.

(more)

USDA 2681-67

Today, as more and more rural people move to the cities, it becomes more and more difficult to build and maintain adequate housing, schools, churches, and police and fire departments, much less hospitals, libraries, theaters and playgrounds to accommodate them.

There is a growing awareness that this endless migration compounding the problems of both rural and urban communities must be halted, or even reversed.

This does not mean that American cities should be dismantled. We must have healthy, thriving cities. Our economy cannot exist without them. Every effort must be made to strengthen the cities and cure their ills.

Nor does it mean that a back-to-the-farm movement is possible or even desirable.

It means ways must be found to make our towns and small cities more attractive as places to live and work; it means these communities must be helped to obtain better housing, central water systems, better electric and telephone systems with rates and service comparable to those in the cities, and other facilities -- all vital in attracting new industry and providing incentive for existing industries to expand.

Ways must be found to train the untrained, to educate the uneducated, and provide work for the unemployed.

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USDA 2681-67

Access to credit for rural people who want to borrow for housing, for business improvement, and for community facilities must be provided.

By bringing electricity to Puerto-Cito you are putting the services of the Rural Electrification Administration and the Bureau of Indian Affairs to good use. You are using the services of these and other Federal agencies that are working to meet these urgent needs of rural America.

I know also that many members of your tribe have helped the Forest Service, an agency I am proud to have as part of my administrative responsibility. - The Navajos have preformed outstandingly for years as forest fire fighters -- protecting all our great National Forests from destruction. I hear that 15 new fire fighting recruits have recently signed up from the Puerto-Cito reservation and will become part of a new crew of forest fire fighters now being formed.

And so the relationship of the U.S. Department of Agriculture and the people of the Puerto-Cito Reservation is one of the people and their Federal Government cooperationg together.

We are working through Technical Action Panels to help local people develop local plans to solve local problems. These Panels provide technical assistance and make sure that local people are aware what government programs, in any department, are available to them to help meet their needs.

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USDA 2681-67

Through these and many other programs -- regional, state, and local -- you and others are beginning to make great strides in rural progress and rural renaissance.

But, measured against what needs to be done, we have hardly scratched the surface. x

You have a great reservation here. You enjoy the wide open spaces, the clean air, and natural beauty. But, on the other hand, we know you look forward to more job opportunities, more educational advantages, and better health services.

Here, through your own initiative and hard work you have provided yourselves with the opportunity to go forward.

You have, or shortly will have, the electric service so vital to rural progress today. The new homes I have seen here are evidence that progress has already begun.

I congratulate you on your fine effort.

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It is indeed a pleasure to be here -- to explore with Governor Breathitt and your panel the complex and interrelated causes of poverty -- to offer for your consideration "another step" ...a potentially decisive step...in our drive to eliminate poverty from the land.

It has been three years since President Johnson signed the first Economic Opportunity Act. Three years and one week, to be exact, since he committed this nation to eradicate poverty among its people.

The intervening period has been exciting, rewarding, impatient, frustrating, creative. We developed new and innovative techniques to interrupt the cycle of poverty. We learned to work together -- to re-direct old programs to complement the new -- to go to the poor rather than waiting for them to come to us.

There are many programs to help the poor...the disadvantaged. For each program, there are countless, individual success stories. For example:

...There's the case of the Indiana teenager who has completed the 10th grade, but couldn't even read. After six months in the Job Corps, he was reading at the fifth grade level, had learned to operate a tractor and power tools, and was being introduced to welding and mechanics.

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Remarks by John A. Baker, Assistant Secretary, U. S. Department of Agriculture, at a Symposium on Rural Poverty, co-sponsored by the Rural Sociological Society and the Society for the Study of Social Problems, San Francisco, California, Sunday, August 27, 1967, 8:30 p.m. (PDT).

...The ex-welfare recipient in New Jersey, who through a build-it-yourself housing project underwritten by a small Government loan, learned enough about carpentry and lumber company operations to win a \$120 a week job as lumber company salesman.

...The Negro father of eight in Mississippi who tripled his family's income after an anti-poverty loan made it possible to expand his farming operation.

...The "Upward Bound" student, who through counseling and special courses, began to realize his latent potential.

In each case, the individual has lifted himself to the take-off point. He has achieved a little more income, a little more self-respect, a little more understanding of himself. That little bit makes a vast difference to the individual and to members of his family -- a difference in the way they live, in their future, and in their relationship to the community.

Each of these programs is helping the poor find a footing for the long climb toward a better way of life -- and we need more like them. They should be strengthened and expanded as rapidly as possible.

But, are these person by person successes enough? Isn't a broad change in national direction needed to root out for good the stubborn causes of the squalor and degradation that our affluent society forces upon the unfortunate among us?

But will it take more than that to eliminate rural poverty?

President Johnson recognized the need for "another step" when he established his Committee on Rural Poverty and its National Advisory Commission headed by Governor Breathitt -- when he directed the Secretary of Agriculture make the full resources of all the agencies of the Department available to help non-Department of Agriculture agencies meet the needs of rural America for economic and cultural development.

Let me illustrate what I mean by the need for an extra step.

Freeman Berry is a Negro farmer with a large family who owns 70 acres of land in southwest Alabama, near Selma. This is the so-called Black Belt, an area of dark, rich soil. Two-thirds of the farmers in this area earn less than \$1,500 a year.

There has been a heavy exodus of people from the area to northern cities. In the past five years alone, nearly one-fifth of the small farmers left.

For a time, it looked like Berry and his family would have to join them.

His big cash crop is cucumbers. He used to sell them for five cents a pound to a Selma processor -- when the processor needed pickles. When he didn't, most of the cucumbers went to waste. The Selma processor was Berry's only outlet.



Berry had to sell 20 of his former 90 acres to make ends meet. For a long time, it was touch and go whether he would stay or move to the city.

Now Berry is selling all the cucumbers he can raise for six cents a pound to large-volume processors, some as far away as Michigan.

What brought it all about?

Berry is one of more than 800 farmers who helped organize or joined the Southwest Alabama Farmers Cooperatives Association, known locally as SWAFCA.

The co-op has helped Negro farmers get a better price for their cucumbers, peas, okra, and other produce by making it available in large, uniform lots. This has opened up the market to regional and national outlets. The farmers also have saved by buying fertilizers in quantity.

A grant from the Office of Economic Opportunity and marketing advice and other guidance from the Department of Agriculture helped the fledgling co-op get on its feet.

SWAFCA still faces a period of uncertainty. A key test of its future will come this December when major buyers offer their large-volume contracts for next year.

But there's reason for cautious optimism. Berry's chances of remaining on the farm, where he wants to live, and of enjoying a better way of life are brighter now than at any time in recent years.

But what about Berry's children?

What will they do when it comes time to marry, to get a job, to go out on their own?

One son...one daughter...perhaps two with their wife, husband, and children might expect to remain on the farm...to find a part-time job in the co-op's packing plant or perhaps a regular job in its front office.

But what of Berry's other children, and the children of the other 800 co-op members? What about the children of the white farmers in the area -- the sons and daughters of the druggist, the crossroads grocer, the local furniture store salesman?

Will all of them be able to find jobs where they are? Will money be available to them to build neat, modern homes -- money they can repay over a period of 25 or 30 years, as you and I would expect to do? Or will they be faced with a huge downpayment and have to pay off the balance in 10 years? Will they be forced to move to Birmingham, Atlanta, Chicago, or Detroit to get a job, to ever hope of owning a home, to enjoy such basic community facilities as central water and sewer systems?

The bitter truth is that each year, some one-half million people move to our already overcrowded metropolitan centers. There they are confronted with a new type environment, with new social mores.

Some who are better educated, better prepared through their family's economic and social background find in the city the opportunities they seek.

But tens of thousands of others discover the city has little to offer except low paying, insecure jobs and unemployment -- exploitation and debt -- congestion and despair -- exposure to crime and violence and sometimes participation in it. Studies show only about one out of three migrants from farm to city work themselves up to a white-collar job.

Too often, rather than solving their own problems, these newcomers simply add to the huge, restless mass of untrained manpower clogging the urban complex. Their presence increases the tension and competition for the ever-dwindling number of untrained, unskilled jobs.

Clearly, more than a blind reliance upon past population migration trends is needed. In fact I believe we need to reverse them.

I believe we must adopt a new concept of community -- what a community is and what it looks like -- we need to apply Galpin's insights and criteria to our day.

...We must help people develop in the countryside larger communities -- multi-county communities that embrace a number of towns, small cities, outdoor recreation resorts, farming villages and areas of open countryside, each allied to the other by the activities and wants of the people who live and work in the area.

...Communities that include a complete range of job and economic opportunities -- that boast a modern educational system, from grade school through college -- that provide modern community facilities and public services -- that offer within easy commuting distance of each resident the social amenities and cultural facilities we all expect in our lives today.

This is no utopian dream -- no idle vision of something that can never be.

Man can create whatever type community he desires.

What we must do is spur man's desire to build modern Communities of Tomorrow in the countryside -- communities that will make it possible for individuals to choose where they will live -- to live in a countryside dotted with clusters of renewed small cities, new towns, and growing villages where the benefits of space and beauty are matched by economic opportunities to enjoy the good life, or to live in a vibrant metropolitan complex with an inner core that has been revitalized surrounded by a healthy inter-urban complex of revitalized historic villages, "new towns" and open country. This we must insure for our future rather than impacted central slums surrounded by a sprawling ugly mass of seamless settlement over one hill to the next.

There is more to this new concept of community than simply reviving the countryside or easing the population pressure and social problems in our major cities.

Man's very survival may be at stake.

There are already an estimated two hundred million people in the United States. By the year 2000, the figure will exceed three hundred million. This is enough new people to populate 13 New York cities, 30 Chicagos, 43 San Franciscos, 770 Little Rocks, or to build more than 10,000 entirely new cities of 10,000 population.

A crucial question for the future of this nation and its people is: "Where will the increase in population take place?"

Will San Francisco and Los Angeles grow together to form one gigantic city -- a sea of humanity that stretches the entire length of the California coast?

What about the east -- where in the Boston, New York, Baltimore, and Washington, D. C. areas it is sometimes difficult to tell where one city or town stops and another starts? Will this entire area eventually become one massive sprawl city -- "home," if you can call it that, to some 60 to 70 million people by the year 2,000?

This is what a growing number of projections indicate will happen if we as a nation don't wake up to the danger in store for us.

There is a serious doubt whether our larger cities can afford such growth -- whether the law of economy of size has not reached the point of diminishing returns. Whether the added income of a new industry moving into the area is more than offset by the increased public investment needed to build expressways, water and sewer systems, to add new schools to handle the increased population caused by the expanded employment opportunities.

The financial cost, in terms of transportation alone, is staggering. When a New Yorker moves to the suburbs, he not only takes his paycheck with him and goes off the city's tax rolls, he costs the city \$21,000 in capital outlay required to provide facilities so he can drive to and from work every day.



The outlay for every added commuter car in Washington, D. C., is even higher -- \$23,000.

Contrast that with a street department budget for a city of 50,000 like Fargo, North Dakota, which will spend less than \$10 per person this year.

The dollar costs of urban impaction are, however, only one of the prices man must pay.

There is also the human, or social, cost -- and this, as you know, is becoming of major concern.

What is the effect on man of overcrowding, of environmental stress, of prolonged exposure to high noise levels and excessive concentrations of pollution? The air in New York City, for example, already is so foul at times that it would be illegal, under the Pure Food and Drug laws, to ship it in interstate commerce.

Dr. Rene Dubos, a Nobel prize biologist, has indicated that some of the most profound effects of the environment created by urbanization and technology may not be on man's physical health, but on his behavioral patterns and mental development.

This is one of several conclusions he came to as a result of scientific, biological experiments with animals and by observing the reactions of man under crowded conditions.

His hypothesis is that man, as a species, developed the kind of mental, nervous, and physical structure that we now have through a process of evolution, stretching over many millennia. Man changed slowly as he adjusted to environmental and world conditions through geological ages.

In terms of geological time, it has been only a few minutes since mankind emerged from the cave, and only a few seconds since we started piling ourselves, layer on top of layer, in huge cities. This is true in Malaya, Indonesia, Western Europe, in various countries in Latin America, and elsewhere, as well as in the United States.

There is a real question, scientists think, whether the biological structure of man, his mental and nervous reactions, can change fast enough to adjust to the pollution, the overcrowding, the traffic -- the noise level -- to all the problems that come from too many people in too little space.

Here, I believe, is a challenge for the sociologist -- a challenge to work closely with expert people of other disciplines; the transportation expert, the criminologists, the educational administrator, the water and sewer engineer, the communication specialist to determine the social costs of alternative degrees of population densities.

Do we need to establish a national policy of rural/urban population balance -- to decide the optimum size city from the "people" standpoint, and then to develop programs and policies that will enable us to channel our future population growth in ways that benefit all mankind?

I believe we must -- that the future of the human race may very well be at stake.

Certainly if we can spend money as we now do to study the habitat of the blue throated warbler to preserve it as a specie in the environmental ecology of our world we can spend money on research and action programs to build the kind of habitat in which mankind can save itself.

Within 33 years, we can build the kind of America we would like.

We can let matters drift and have 240 million people -- four-fifths of our population -- crowd into huge cities and cope as best we can with the resulting financial costs and human wear and tear, or we can have a tomorrow of vibrant communities scattered throughout the countryside -- communities that make it possible for more than 300 million Americans to live in less congestion and with less strife than 200 million live today.

Much of what I have said is about Communities of Tomorrow. My thesis is that one of the most potent solutions to the elimination of the complex interrelated causes of rural -- and urban -- poverty is to build all kinds of Communities of Tomorrow where poverty will not find a fertile soil -- where poverty will not exist because its very basis is eliminated because man will have proved he can step to a new level of civilization now that he has mastered the Industrial Revolution.

If we act now to build these modern communities, we can restore balance and sanity to our national growth -- and in doing so we will banish the causes of poverty -- we can disperse people and opportunity throughout the country by design; not stack them up by default.

This is the kind of Communities/2000 I believe in -- the kind of America I believe we must build if we are to eradicate poverty from the land and achieve a way of life that fully reflects man's creative genius.

I thank you.

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U. S. Department of Agriculture

Office of the Secretary

We are living in a troublesome and sometimes frustrating time. But it is an exciting time -- a time of promise because the world is going through one of the very infrequent periods when it is moving from one great historical era to another -- a time such as when man discovered he could plant seeds and grow crops -- a time such as when Europe came out of the Dark Ages -- a time such as when western civilization was fighting and winning the Industrial Revolution.

Each time, after a period of coasting, civilization stepped from a lower to a higher level.

Each time there were frustrations, uncertainties and problems -- problems stemming from required changes in the institutional and social structure.

Each time problems were taken as challenges.

Each time mankind was the definite gainer.

Each time the world progressed toward a fuller and more satisfying life for its peoples.

Such a time is now.

Nearly all the nations of the world are now in eras of great change.

The lesser developed nations, even as our own poor, are bringing themselves into the mainstream of world affairs.

The developed nations, having consolidated the gains of the Industrial Revolution, are building a new and better kind of civilization that our success in the Industrial Revolution has made possible.

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Remarks by John A. Baker, Assistant Secretary, U. S. Department of Agriculture, before the 1967 Annual Meeting of State Conservationists, at the Center for Continuing Education, University of Georgia, Athens, Georgia, September 18, 1967 9:00 a. m.

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The developed nations are entering into a new era -- a period of creative urbanization and rural renaissance. Call it either; they are the same. The old rural-urban dichotomy is being wiped out -- finally we are becoming one people. And now we are building a civilization having a quality of environment and a quality of community life that comes closer than the world ever has come before to matching the aspirations of the dignity of man.

It is an exciting challenge because we of the generation in this room have a special responsibility in helping the world to step up in our time to a new and better level of civilization.

Here is what I want to visit with you about today:

First, your responsibilities to participate in helping lesser developed nations to shift from stagnant to progressive cultures and thus move into more rapid economic development; and

Second, your responsibilities to help the United States step up to a new level of civilization through the progressive process of creative urbanization and rural renaissance -- and your competencies and your duty to power the twin thrusts of:

- a. Improving the quality of man's total environment,  
through Resources in Action, and
- b. Building Communities of Tomorrow that match the dignity  
of man.

No group of people is better qualified than you are to assume the awesome responsibilities I have outlined. You are trained, experienced, and dedicated.

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You have great potential for substantial and essential contributions to building the new and better civilization.

You are competent for leadership in improving man's total environment. Even more importantly you are also skilled in helping to build attractive, prosperous, improved communities of tomorrow -- multi-county communities that blend the best of what creative urbanization and rural renaissance can mean to man. Your possession of this competency and skill gives you a special opportunity and a special duty for service.

Resource Development in Lesser Developed Nations

You are familiar with the excellent job that Soil Conservation Service technicians are doing in the lesser developed nations of the world.

I wish to emphasize three points in connection with this work:

First, I hope you will continue to select and encourage your best people to accept these foreign assignments.

Second, I hope you will help spread the idea that service in other nations is a natural part of every person's career. Many of us had to do this the hard way, often losing seniority and retirement benefits in the process. Now we have worked out the machinery so that service is possible anywhere in the world while still on the USDA and SCS payroll and employment system.

Third, I hope each of you will encourage all of your people and your student trainees to become familiar with the resource problems, and their

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institutional and cultural settings, throughout the world, particularly in the lesser developed nations. This will better equip them, when called upon, to accept assignment where needed.

It was Kipling who said: "He knows not England who only England knows."

Your people, and many of you, have made major contributions to agricultural development through service in foreign lands -- and you are stronger here at home because of it.

### Creative Federalism

In no area has your example been more successful than in the area of Creative Federalism.

You have done a good job in harmoniously knitting together all the various interests in soil and water conservation in the conservation districts, in watershed and Resource Conservation and Development projects, and in soil surveys.

But you must do more.

You must accommodate your work to comprehensive Statewide recreation plans.

You must accommodate your work to overall comprehensive planning of States, of multi-county districts and regions and of counties, of townships and municipalities.

You must accommodate your work to fit harmoniously with community action agency anti-poverty war planning.

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You must accommodate your work to fit harmoniously with Economic Development District planning.

You must accommodate your work to fit harmoniously and effectively with the work of river basin planning, on the one hand, and of regional economic development commissions on the other.

You must fit your work into overall national goals related to natural beauty, to cleaning up our air and water. You must help the nation to preserve its best agricultural land from being gobbled up in irreversible shifts to non-food production uses.

Your record of Creative Federalism is President Johnson's Creative Federalism and President Johnson's Creative Federalism is your Creative Federalism.

You are proving it works.

#### Creative Urbanization - Rural Renaissance

Because of your profession and your affiliation with the Department of Agriculture and because you are a part of the Soil Conservation Service that Hugh Bennett's great genius founded and fought for -- you are chosen to play vitally significant roles in helping society to step up to a higher plane of civilization.

In this great task your roles are two:

1. Building a quality environment; and
2. Building better communities.

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### Quality of Man's Environment - Resources in Action

Let me discuss first some of the key aspects of your role in improving the quality of man's total environment. You have already done a great deal on this task.

But new and greater challenges are before you. Nothing less than a "total systems" approach is adequate to our project planning and action.

I know all of you have studied the recently published policy statement on Resources in Action and that you have studied Secretary Freeman's speeches to the National Association of Soil and Water Conservation Districts and the Soil Conservation Society of America.

In these policy statments the Secretary has accepted the great challenges before us and identified the specific responsibilities of the Department of Agriculture.

I think the policy statment, Resources in Action, is a living guide and a guide that will live.

### Inputs and Outputs Distinction Between Activity and Results

This policy statement stresses the need to make resource decisions within a framework of the total environment of man -- that we must consider the entire spectrum of the ecological system -- that we must work toward methods and techniques by which we can measure the multiple joint outputs of resource expenditures and identify how much of each we are getting for the dollars we spend for resource investment inputs.

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We know that we will be required to do this as part of the new system of planning, programming and budgeting. This is because, increasingly as we move into a new era of civilization, building a higher quality of environment will require a total systems analysis -- and the total system must encompass all of the significant variables of the entire environment.

President Johnson has powered a significant new thrust in conservation. His conservation achievements are measured not alone by the many new conservation laws that he worked with Congress to put on the books. They are measured not alone by the greatly expanded appropriations, private and public, that have been made for conservation activities. They are measured not alone by the new public awareness of the breadth and scope of conservation concerns. They are measured also by the greatly increased number of those who have become concerned enough to become active participants in the conservation movement.

President Johnson has made conservation into a growth industry, with increased attention, yes; but also even more importantly, he has brought the Nation to recognize and promote a conservation with increased substantive content. His efforts and emphasis have brought the Nation to understand that conservation -- the new creative conservation -- is not just an esoteric luxury but a necessity of everyday living and an essential to the survival of the human species itself.

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Conservation is an activity associated with natural resources, replaceable and irreplaceable. With respect to replaceable natural resources, with which you and I deal most often, conservation includes the preservation, use, development, and restoration of those resources. These are the things we do when we engage in conservation activities.

By this definition, conservation is not an output nor an end product but rather a process or activity. We do conservation to attain other ends that society deems desirable. And we need in all our work to keep always in mind and to make clear to ourselves and others the distinction between conservation purposes and conservation activities -- the need to attain higher quality, broader scope, greater volume of conservation purposes and outputs.

We need to specify conservation purposes, quantify them, measure them, set goals with respect to them and keep a scorecard on our attainments of them.

Success in conservation, I suggest, is success in attaining the purposes of conservation and not merely the performance of conservation activities, although presumably there is a direct, close and causal relationship between them.

If conservation attainment is to be measured in terms of its contribution to purposes and products, and it must be, we must have a clear idea of what those purposes and products are.

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At the risk of becoming a target for groups whose aims I have not been able adequately to articulate, I submit the following purposes or measurable products of conservation activity -- the reasons why the nation wants and needs to do more rather than less conservation. These could, of course, be classified into other groupings. Each group could be further subdivided into more specific purposes. Moreover, I realize that it will be difficult to express each of these outputs in uniform terms. But we must do it, if as the new conservation movement requires, we are going to operate with confidence within a total systems analysis of all the ecological aspects of man's total environment.

It is also important to note these are not listed in order of priority but rather as points on a cosmological sphere.

1. Food and fiber production capacity.
2. Timber production capacity.
3. Capacity to provide other resources required by industrialized civilization.
4. Fish and wildlife and its habitat.
5. Outdoor recreation.
6. Wilderness experience.
7. Prevention of floods and other physical destruction.
8. Beauty of the landscape and man's appurtenances, including
  - a. Landscape
  - b. Esthetics
  - c. Harmony in use, and
  - d. Enhancement of culture

(more)

9. Area and community development
10. Elimination of the causes of poverty, and as long as we  
have it, its amelioration
11. Elimination of air pollution
12. Water quantity and quality, for its various uses, including:  
Municipal  
Industrial  
Agricultural, and  
Other uses of water
13. Preservation of historical and traditional values in landscape  
and appurtenances.
14. Elimination of noise pollution, and
15. Stewardship -- that is, the preservation of nature or what we have  
even in the absence of specific knowledge of future use or need.

#### Resources in Action

It is fitting that the theme of your conference is Resources in Action. Resources in Action is one of six major task forces that Secretary Freeman has set up within the Department to develop goals, to innovate, analyze, evaluate and recommend action programs, and to put into operation a comprehensive communication and information effort setting forth what needs to be done now and in the years immediately ahead to attain our aspirations for resource preservation, use, development and restoration for the year 2000.

In the days ahead at this conference you will be delving into the complex technicalities of translating the resources policy statement into action.

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### Resource Interface

One new dimension I would emphasize is the resource interface between creative urbanization and rural renaissance. Later I want to discuss the communities interface.

On the resource interface between creative urbanization and rural renaissance the Department and you are called upon for a great effort and have already taken a giant stride.

Soil and water conservation has moved into the suburbs. And we are cooperating closely and fully with the Department of Housing and Urban Development on this.

You know about the successful Soil, Water and Suburbia Conference in Washington. It was a first and important step in building our capability for working with man's total environment in the context of year/2000 goals. Each of you soon will have important roles in what we expect to be successful regional Soil, Water and Suburbia conferences in cooperation with HUD.

Secretary Freeman, in approving the Resources/2000 policy statement, directed that we take the broad view of the task before us -- that the Resources Task Force and all the constituent agencies and programs of the Department plan and carry out their work to the far reaches of the total ecological system of which man and his works are a part -- that we fit our programs with their full potential contribution into the total national programs of private individuals and groups and those of all levels of government to make certain that all of the many goals of resource management are identified in the proper mix and relationship to meet the needs of the greatest number over the long haul.



This means that we must begin to think first of ultimate outputs -- of the end products that we as a nation want to attain -- and then to devise programs that will be most effective and efficient producing those outputs.

This is a quite different process from thinking of programs first and then measuring their results. This is a new and better way of thinking about administration and management decision making. But you and I, and all of the people we work with, will be more and more involved in this new dimension even as we further improve our knowledge and skill in the application of techniques in conservation activities themselves.

Indeed, the soil and water conservation districts, and the state legislatures, are already thinking and moving out in the broader terms with action of a wider scope big enough to match the aspirations of man in a new era. I know you will promote this and assist in every way you can.

#### Stewardship

I hope, as we think about the total conservation and resource development job and its purposes, we will not neglect the importance of what may well be the basic output of all. That is preserving and improving the soil and its structure whether we know now that it will ever be required or not for any material purpose other than natural beauty. We must be careful not to forget our basic stewardship responsibility which of course underlies all of our other purposes and may well go beyond all the other end products or outputs of conservation activity.

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Communities of Tomorrow

As State Conservationists, you are also working at the community interface between creative urbanization and rural renaissance.

A Communities of Tomorrow Task Force is a running mate to the Resources Task Force. I have the honor of chairing both. Soil Conservation Service is a member of both. Both are involved in the total job of building the kind of environment and communities for the year 2000 in which man can prosper, live fully, and survive. Resources and communities are inseparably bound together in building a better tomorrow -- that's why SCS is in the middle of the action on both.

We are moving now toward a meaningful and perceptive understanding of what communities of tomorrow should look like -- of what we are striving for -- of how to get there. We know we don't want any more piling up of population in already overcrowded impacted areas. We don't want any more ugly, unrelieved urban sprawl and we don't want any more dying poverty-stricken villages, towns, rural villages and small cities.

We do want to synthesize into communities of tomorrow the best of urban and rural life. We do want to utilize the space and resources of the countryside to help solve the problems of the city cores.

What it means is providing recreational and other open space in central city and the suburbs; it means thinning out the population impaction of central city cores by aiding their populations to live and make a living elsewhere; it means providing jobs and other economic opportunities in places now considered rural or small urban.

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This means developing existing towns, villages and small cities and building new towns in the metropolitan periphery and open country of the nation instead of having an iron ring around the trouble-beset central core ghettos and the continuous expansion of a seamless, surrounding settlement spreading beyond in an endless monotonous sprawl.

It means preserving the countryside and providing in it, both within and outside the multi-county regions surrounding what the Bureau of the Census calls standard metropolitan statistical areas, the new towns and the revitalized towns required to absorb the projected 100,000,000 increased population of the next 35 years. It means developing a geographically-spaced culture that is neither urban nor rural but the best of both. This puts a tremendous challenge before us.

The Department of Agriculture cannot do this job alone. Nor can Government do it alone. Building the kind of Communities of Tomorrow that the Nation needs will require the same genius that went into the organization and operation of soil and water conservation districts -- the same mix of private, group and governmental energies, talents and contributions.

In December, the Secretaries of Housing and Urban Development, Labor, Health, Education and Welfare, Commerce, and Transportation are joining with the Secretary of Agriculture in calling a national symposium on rural-urban balance to bring together the best minds in the world to discuss what kind of Communities of Tomorrow we want. It will be an exciting and highly significant discussion. It will help the nation to develop priorities, to clarify our thinking, to move toward adoption of a national policy of rural-urban balance in population and distribution of economic opportunity and industry.

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USDA 2923-67

"Outreach" and TAP

Meanwhile you and I are already working under directives of the President and the Secretary of Agriculture to give top priority to bringing the services of non-USDA agencies to the people of rural districts and the rural parts of metropolitan regions. This is sometimes called the "outreach" function.

To implement these directives you are operating under a RAD Board Chairman's instruction to establish and participate in regional, State, district and county Technical Action Panels (TAPS). Each of you are serving either as co-chairman or chairman of a state technical action panel. My thanks to all of you.

Comprehensive Overall Planning for Communities of Tomorrow

Your technical action panel operation will be greatly strengthened in helping the States and counties in building Communities of Tomorrow by enactment of the pending amendments to Section 701 of the Housing Act of 1954.

Among other provisions, this proposed amendment of Section 701 provides for grants from HUD to multi-county districts composed of counties no part of which are within standard metropolitan statistical areas. The proposed legislation also provides that the Secretary of Agriculture will provide technical assistance and organizational education services to these multi-county districts or to counties seeking to set up such multi-county non-metropolitan districts.

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USDA 2923-67

Enactment of this legislation will provide to cooperating groups of established local, county and municipal governments the opportunity and part of the funds required to develop their own cooperative multi-county overall comprehensive planning capability on a permanent staff basis. These would be sort of a rural version of the existing Councils of Governments in metropolitan regions. The grouping of counties and the district boundaries would be determined by the States. This would enable multi-county groups of established governments, which have the taxing and policy power to implement plans, to participate officially, fully and cooperatively in guiding the overall planning process and functional planning in their geographic territories.

When these districts are established and financed, they will provide basing points and guidelines for many types of functional planning, including Resource Conservation and Development projects, watershed projects, outdoor recreation planning, river basin, and soil and water conservation district planning and other overall and project planning activities in which you are so intimately involved.

#### Rural Community Development Service

Our experience in six years of pilot operation indicated that the field outreach function could best be performed by the nationwide agencies, such as SCS, under leadership of Farmers Home Administration, and that Rural Community Development Service, formerly the Office of Rural Areas Development, should become exclusively a Washington-level agency of highly skilled specialists in the substantive programs of agencies outside the Department to undertake catalytic and liaison duties between the Department of Agriculture and the other Departments, in conducting our responsibilities under Executive Order 11307, the "outreach" directive.

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USDA 2923-67



Inevitably, in performing this function, RCDS will also, in a purely staff capacity to the Secretary and me, participate in various forms of inter-agency outreach coordination within the Department.

#### Cooperative Federal-State Extension Services

I should say also that all of these directives are clear and straightforward as to the responsibility of the cooperative Federal-State Extension Services for organizational and educational leadership. We can be proud of the fine working relationship that exists in Washington and the States between SCS and the Extension Services.

#### The Great Society

Communities and resources -- basic concerns of the Soil Conservation Service and of State Conservationists -- are twin pillars of building a creative urbanization, of furthering a rural renaissance -- as these two blend in the decades ahead into the Great Society that man's success in the Industrial Revolution has made possible.

The Great Society will be attained if we only have the will, the foresight, the courage and the imagination to do now the things that must be done to build in the next 33 years the Agriculture/2000 that Secretary Freeman has set forth boldly. It is our Department's contribution to building the Great Society.

It is in a unique sense the job of SCS State Conservationists. Let us be at it.

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This is a great day in the annals of the U. S. Department of Agriculture. When a city like Gainesville, Georgia, sets its sights on the future, moves provide its people with all of the amenities of modern living, we know that our great country is still headed in the right direction.

Our compliments go to men like Congressman Phil Landrum who made the Model Cities legislation a reality and to Mayor John Cromartie who had the vision to make his city one of the first to take advantage of the Model Cities program. But most of all we toast the people of Gainesville for without your interest and your support the work that is about to be undertaken to make your city "the fairest in the land" could never have come to pass.

For too long rural people have been drawn into the big cities, lured by the promise of jobs and by the feeling that life was richer, gayer, and more exciting in the world of skyscrapers and street canyons.

That millions of these people have been disappointed, have found themselves crowded together in miserable slums, is today all too apparent.

The Model Cities program is one of many measures that will help the big cities fulfill their promise.

But the Model Cities program will equally serve the smaller communities, and in doing so it will serve both, by providing a full and satisfying life for people where they want to live, rather than driving them away from their home land by economic pressures.

The more that can be done to "tone up" the smaller centers, the less will be the pressure on the big cities to accommodate all of our people.

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Remarks by John A. Baker, Assistant Secretary, U. S. Department of Agriculture, on Model Cities Tour, Gainesville, Georgia, December 5, 1967.



We have reached a crossroads in the development of our environment.

We have learned how to make machines that will turn out all the cars, television sets, outboard motors that we can use.

We have learned how to produce all that we want to consume, how to conquer space.

But we have not learned how to enable all of our people to share in all of our wealth. And we have not found a way to keep from smothering ourselves in our own material production.

And we have not found out how to enable each man, each woman, each child to live in the kind of surroundings that will enable him to fully enjoy life. This new Model Cities project will help Gainesville to show the Nation the way toward building a high quality of life and environment in communities of tomorrow.

The Model Cities and allied programs will help the Nation find out how to bring about a better geographic distribution of our people. Without this, we face grim days ahead.

We lament the fact that seventy percent of our people are stacked up on one percent of our land.

But lamenting is not enough.

We must prove that the good life, perhaps the best life can be found in cities that are "human-size," cities like Gainesville.

And this is what Gainesville is about to demonstrate.

Gainesville will prove that:

... we can reverse the flow of population to metropolitan centers and in so doing help the big cities conquer the urban improvement job by easing the pressures created by a constantly expanding population.

... we can use the smaller cities, the towns and the countryside with all their assets -- space, beauty, nearness to outdoor recreation, moderate land and building costs, power and manpower -- as sites to expand industry and jobs.

... we can use rural America as the location for new research centers, colleges and training schools.

This program is a part of the great vision that President Johnson has had for the creation of a country that offers a choice to people when they look for the kind of place they want to live in, work in, and raise their children.

This program is part and parcel of the modern-day program of the Department of Agriculture.

USDA and a host of other agencies, working with the Department of Housing and Urban Development in the Model Cities program can help Gainesville, and other rural communities develop their full potential.

Here is what we have to offer:

Secretary Freeman has created in every state and in every county an instrument for community development called Technical Action Panels. These panels are organized and sponsored by USDA field agencies but are composed also of a broad range of development specialists from private industry, educational institutions, local government, state agencies, and local representatives of other federal agencies -- in short, a stellar collection of all the people who know about and have access to the myriad government and private institutions that can aid in rural community development.

The services of the Georgia State Technical Action Panel and the Hall County panel are yours for the asking.

The panels open the channel of communication between rural community leaders, the officialdom and planning bodies in small towns, and all the governmental agencies that have services that can be used to strengthen rural communities, including cities like Gainesville.

S. L. VanLandingham, Georgia State Director for the Farmers Home Administration, is chairman of the State panel.

Joe Wang, Hall County supervisor for the Farmers Home Administration, is chairman of the Hall County panel.

In addition to its Technical Action Panels that form the ways and means of "tapping government services that support community development" USDA offers a number of specific programs in support of the development of Model Cities.

School-lunch, food stamp and commodity distribution programs can be used to improve nutrition, give our children and members of low-income families the kind of diet they need to meet the challenge of the world they face.

Gainesville is already making good use of this service.

USDA also helps rural communities make multiple use of their water and woodland resources. The Small Watershed Program can be used to control flooding, protect the community's water supply from silt and sediment pollution, develop public recreation areas.

Community planners can also use USDA's basic soil survey data to weigh the impact of soil structure, terrain and land-use alternatives when determining sites for industrial, commercial and residential development.

Currently, the Middle Oconee-Walnut Creek Watershed project includes part of the drainage area of Gainesville. Another project -- the North Oconee River Watershed -- is in the planning stages.

The proposal for this project includes the development of a recreation area and flood water storage.

USDA offers a wide variety of programs that provide technical and financial assistance of the development of rural community water and sewer systems, community recreation areas, and the construction of decent housing. Our housing programs include special assistance for senior citizens, farm laborers, and low-income families.

This particular group of community development services is limited to communities with populations up to 5,500. This rules out the area within the city limits of Gainesville but scores of homes have been constructed in the surrounding countryside for people who use Gainesville as their shopping center.

The Extension Service supports an equally diverse number of youth and adult educational programs that help community residents make full use of their talents.

4-H Clubs flourish in the Gainesville schools and Extension workers are currently working with scores of teenagers and adults in Gainesville in group activities that develop skills in the arts of homemaking, food preparation and the construction of clothing.

What we are doing now on a limited scale can be done on a more expanded basis.

All these and other community development programs we offer not only Gainesville but all communities that participate in the Model Cities program.

In addition, we pledge our support in the maintenance of programs that will guarantee farmers a decent income. As rural-based Gainesville knows, no country town can prosper unless the farms around it prosper.

We think of healthy family farms and healthy rural cities as being cut from the same cloth.

Secretary Freeman in looking ahead to the Year 2000 envisions an American landscape dotted with communities that include a blend of prosperous, vital, small cities, like Gainesville, new towns, and growing rural villages. Each a cluster with its own jobs and industries, its own college or university, its own medical center, its own cultural entertainment, and recreational centers.

The Secretary notes that hundreds of such communities would make it possible for 300 million Americans to live in less congestion than 200 million live today -- would enable urban centers to become free of smog and blight, free of overcrowding.

President Johnson in similar vein has said that not just sentiment demands that we do more to help our rural communities. "The welfare of America demands it," the President has said. "The future of the cities of America demands it, too."

Is this concept -- this concept of bringing a better balance in the distribution of our population, in the distribution of opportunities for better living -- an unreachable dream?

I believe it is an attainable dream. And I believe Gainesville will show the way to its attainment.

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Winston Churchill is said to have observed that the three most difficult things for man to do are these: to climb a wall that is leaning toward you -- to kiss a woman who is leaning away from you -- and, third, to make a speech before a group of close friends.

I think, this time, I have to disagree with Mr. Churchill on all three counts.

Not being a human fly, I would think that climbing any kind of wall would be impossible rather than just difficult.

I know better than to comment on the second but I should think that trying to kiss a woman who leans away from you would be more frustrating than difficult.

As for making a speech before a group of good friends -- and good friends you most certainly are -- the rewards and the honor far outweigh any difficulties even though Mr. Churchill pointed out that good friends always reserve the right to be your severest critics.

If you do have any criticism of my modest presentation here today, I know it will be fair and intelligent.

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Address by John A. Baker, Assistant Secretary, U. S. Department of Agriculture, at Annual Meeting of Wisconsin Farmers Union, Loraine Hotel, Madison, Wisconsin, February 11, 1968, 2:00 p. m.

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It is good to be back with you again. I regard the years I spent working with and for you as the most rewarding experience of my life. It delights me to know that you are the same tough, battling organization you have always been and, if anything, even more effective than ever in achieving your goals for family farmers.

As for myself, I can assure you that after nearly eight years working for this Administration that I am the same John Baker you have always known. I have not changed. I am still completely convinced of the absolute necessity of strengthening and expanding farm family agriculture. I believe it is in the national interest that every small farmer in America should be able to remain on the land he loves and be permitted to live there in security and decency and that every opportunity should be offered to him to expand his resources and achieve parity of income.

I am just as deeply concerned as ever about the failure of farm families to realize this parity of income. I share your deep anxiety over the threat of corporate control of agriculture.

And my friends, I can assure you that Secretary Orville Freeman has not changed in these eight years. He is the same dauntless battler for farm families as he has always been.

The farmer and the people of rural America have never had a better friend or a more effective spokesman in the office of Secretary of Agriculture.

And President Lyndon Johnson has not changed. His concern for farm families and their problems is deep and sincere -- it springs from all his young years of living on the farm and his years of battling for rural people. Probably no President we have ever had has possessed so much empathy and understanding of agriculture as he.

Many times during his more than four years in office, President Johnson has said that parity of income and equity of opportunity for farm families and the revitalization of rural America have the highest priority and in his state of the Union message last month he said: "I shall recommend action to raise the farmers' income by establishing a security commodity reserve that will protect the market from price-depressing stocks...and programs to strengthen and bargain more effectively for fair prices."

While all of us in the Administration are encouraged by the progress that has been made in agriculture since 1960 to reduce price-depressing surpluses, to raise total farm and average farm income to near record levels, to be able to enact a four-year farm program, to dramatically expand foreign exports of farm products, and all the other achievements of this Administration which your organization contributed so much -- despite all of this,

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USDA 409-68



none of us are happy that full parity of income has not yet been realized by all our farmers, nor that exodus of farmers and rural people to our cities has not been reversed, or that the quality of living environment and economic opportunities in rural areas are still far below what is needed.

We are not happy about this. And neither are you.

If this Administration and four Congresses since 1961 have not been able to achieve its goals for farm families and the people of rural America and have not fulfilled your expectations and your needs then it is only natural and necessary that all of us ask ourselves "why not?"

The answer is not simple. The reasons are many. But I think it appropriate at this time to re-examine these reasons.

One of the principal reasons that it has not been possible to make greater progress toward achieving full parity of income for more farmers is the steady erosion of the farmer's political muscle -- particularly since World War II.

Today, people living on farms account for only about 6 percent of the total population. Only about 75 or 80 Congressional districts can truly be termed rural districts -- that's out of a total of 435 seats in the House of Representatives.

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USDA 409-68

The Senate which all of us used to depend on to stop bad farm legislation or improve existing legislation, no longer offers this same legislative assurance because more and more of our States have increasing urban problems and they seem to loom larger in the Senator's minds than do the farm problems.

This dwindling support and empathy in Congress for farmers is a blunt fact of life.

But this alone does not completely foreclose good and badly needed farm legislation now or in the future because, by and large, most Congressmen and Senators will readily admit the existence of a serious farm problem, the need for equity of income among all farm operators, and the need of sustaining and preserving a strong farm family agriculture in the national interest.

But what further weakens the farmer's political bargaining power in Congress is the disarray among farmers themselves.

This fragmentation within agriculture is, of course, nothing new.

The lack of consensus among farmers as to what program they really want to achieve parity of income, makes it literally impossible for either an Administration or a Congress to recommend a program that all farmers will agree on.

During Secretary Freeman's administration of the Department we have tried vigorously to find some sort of broad consensus within agriculture as a whole and within commodity groups through special advisory commissions. All of the commissions are filled by highly competent and dedicated men. They work hard. They have made some fine, constructive suggestions. The Secretary listens, heeds, and has put many of those recommendations into administrative practice.

In addition, during his seven years in office, Secretary Freeman has taken innumerable trips accross rural America on a series of "look, listen and learn" trips in an effort to find out what farmers really want.

In recent weeks, we have conducted hundreds of local small farmer meetings in every state of the nation to determine what programs can best help small farmers and what programs they want.

But still agriculture remains woefully polarized -- almost right down the middle, despite all these efforts on our part to create a broad consensus of opinion.

Thus divided, the farmer's political influence is cut even further.

If farmers are to compete successfully in the Halls of Congress for legislation they want, then they have to be more politically sophisticated than they are now.

Businessmen, labor, and other highly organized groups have long since found that out, and that's why they get much of what they need over a period of time.

So far, I have discussed some of the negative aspects of our common problems in agriculture and in rural America. Now I should like to discuss a couple of positive things we have going for us and which, potentially, can have great impact on farm family agriculture and add great new dimensions of opportunity in rural America.

As all of you probably now know, the Department of Agriculture has been conducting a series of local "small farmer" meetings all over the country.

Last summer Secretary Freeman put me in charge of a special task force and directed us to come up with a series of practical and constructive programs specifically designed to help a million or more of our small farm family operators and by so doing halt the exodus of these farmers from the land to our cities.

As Secretary Freeman said: "While productivity and efficiency are important in our agriculture in order to provide an abundance of food and fiber, they are not the only criteria of who should farm and who should not."

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USDA 409-68

He went on to say: "Every farmer in America is important. There is ample room in our vast agricultural plant for farmers of all types and sizes and it is important to keep it that way...because the very diversity of our agriculture gives it its great strength, its flexibility and its efficiency."

Late last fall the task force came up with 30 different proposals. We took them to the country and asked thousands of small farmers what they thought of them, what they could further recommend and what more should be done.

We did this in order to start a national dialogue in rural America, in Congress, in our farm organizations and among all people who are concerned with agriculture in order to generate every possible idea and suggestion that can be used to help some one million small farm families stay on the land.

The meetings have now been completed. The farmers' evaluation of the proposals and their recommendations are now being studied and evaluated in the Department.

Where new legislation is needed to put some of these programs into effect, we will consider proposing it to Congress. Where only administrative action or emphasis is needed, this will be done.

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One of the interesting revelations that came of these meetings is that much can be done within the framework of existing programs either by added emphasis or re-directing some of the resources available within the programs.

We found out that many, many farmers are not aware that there are many programs already on the books that can assist them. Many of our loan programs for example, which the Farmers Home Administration offers are not being used by the very farmers who need them the most.

For instance, we have a loan program that can help small farmers develop profitable recreation enterprises on their farms. This is a splendid program that is ideally adapted to a state like Wisconsin. The loans can be used to construct campsites, tourist cabins, trailer parks, fishing and swimming facilities, riding stables and any number of other recreational facilities.

In addition, for the very low-income small farmer we have a special loan program by which we can finance small businesses or service enterprises on their farms.

By developing recreation enterprises, a great deal of marginal crop land no longer remains marginal but becomes extremely profitable.

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USDA 409-68

Many small dairy farmers who are finding it increasingly difficult, for one reason or another, to compete with the large operators or who lack the capital and land resources to expand could, under this program, find it much more profitable and a great deal easier to get out of the dairy business and into the recreation business.

With our burgeoning population and the greatly accelerated need of people for outdoor recreation areas, plus the fact that efficiency in agriculture requires much less farm land than before, it is necessary to conceive new uses of our land resources. This concept was written into the Food and Agriculture Act of 1962.

To get farmers to think in these new terms of land-use and thus make more profitable use of their land resources and their own energies, two things must be done. One, as I pointed out earlier, is for the Department to put more administrative emphasis on this phase of agriculture by putting out more information on the programs and by putting more of our available manpower and personnel into the field. The second requirement is to convince farmers themselves that these new ideas are workable and profitable.

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USDA 409-68

Sometimes this is the most difficult part of all. It took many small cotton farmers in the Southern States some 75 years to realize that something besides cotton could be grown on their worn-out land. Today those farmers are profitably using their land to graze livestock, or growing soybeans or some other crop.

Many farmers in Wisconsin could use a combination of now available programs on their farms. In addition to a recreation enterprise, they could use our woodlands program using pulpwood or Christmas trees as an additional profitable crop.

As Congress becomes convinced of the necessity of expanding these programs and developing new ones, we shall be able to offer the farmers of this Nation a whole series of new opportunities to remain on the land with greater economic security and with less effort than ever before.

These new concepts and programs for farmers are part of a larger framework of plans and programs for developing all rural America...a rural America that offers opportunities of employment and good living for all who wish to live there.

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USDA 409-68

Full development of all the human and material resources of rural America, including a strengthened and expanding farm family agriculture, is important not only to rural areas and its people, but to the rest of the Nation as well.

As President Johnson said a year ago: "I want those who love the land and the countryside to reap all the benefits of modern living ... Not just sentiment demands that we do more to help our farms and rural communities -- I think the welfare of this Nation demands it."

Basic to carrying out President Johnson's call to correct the social and economic distortion created by the rural/urban imbalance with all its problems of stultifying congestion and tension in our cities and to stem the flow of rural people out of the countryside, is our new "Communities of Tomorrow" program.

It would take far too much time to go into detail what we conceive as the rural Communities of Tomorrow but imagine, if you will, a time in the future when the American countryside is dotted with communities that include a blend of renewed small cities, new towns and growing rural villages.

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USDA 409-68

Surrounding these communities is a mosaic of large, medium and small farms -- prosperous, productive and the homesteads of happy, secure people. Each of the communities is a cluster with its own jobs and industries, its own college or university, and recreational centers and an agriculture fully sharing in the national prosperity.

Imagine hundreds of such communities that would make it possible for more than 300 million Americans to live in less congestion than 200 million live today -- that would enable urban centers to become free of smog and blight, free of overcrowding, free of tension, with ample parkland within easy reach of all.

This is no dream. It is a practical, achievable objective.

We have a 12-point program to achieve it.

Heading the list is planning. Sound multi-county planning is basic to the Communities of Tomorrow. We have no intention of turning the countryside into a rural sprawl of the type that has blighted our urban centers. We have no intention of polluting the streams, the lakes and air.

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USDA 409-68



The other dimensions of this action program include:

- programs to strengthen farming and ranching
- to attract business and industry
- construction and improvement of community facilities
- elimination of rural poverty
- improvement of education and job training
- rural housing
- outdoor recreation and natural beauty
- natural resource conservation and development
- health and welfare
- distribution of food
- and, finally, transportation.

This effort to help rural America and all its people to enjoy the benefits of a vigorous, health and attractive countryside with unlimited potential for all who wish to live there involves not only many Federal agencies, it must involve great organizations like yours, as well. From you we must depend upon the kind of creative leadership, the capacity of cooperation, the dynamic enterprise that is absolutely essential if we are to build the kind of Town and Country USA that we now envision.

To me this is the most exciting challenge of this century. We want you to be part of it and we need you.

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Quality Environment in Better Communities of Tomorrow

Secretary Freeman opened this Convocation with a stirring and definitive statement that set forth in ordered and cohesive style the relevance to the broad sweep of national concerns of a better rural-urban balance and of a combined research and education program along lines of the agricultural miracle that has been a proven success. Dr. Mehren jolted the Convocation starkly awake with a drum fire of pithy comment on every pertinent phase of American life.

I join with Secretary Freeman in his admiration and respect for the intellectual attainments of today's college students. Like his, my observation of two college sons leads to the inescapable conclusion that today's students are expected to measure up to higher standards of both effort and achievement than my generation were. Moreover, they have learned more and sooner and they are more interested in what is going on in the world at large and are more concerned.

Yesterday morning, Secretary Freeman called for a National Quality of Living Policy, to provide a pollution free environment without the problems of population implosion.

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Introductory statement of Assistant Secretary of Agriculture John A. Baker at morning panel discussion, Fairleigh-Dickinson University Convocation marking the University's twenty-fifth anniversary, Hackensack, New Jersey, March 6, 1968.

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The 1968 Yearbook of the Department of the Interior -- that other great Department of the Federal government with which the Department of Agriculture cooperates so closely and so harmoniously on so many important undertakings -- is titled: "Man: An Endangered Species?" Secretary Udall's introduction and the preface to the volume poses the same questions that Secretary Freeman posed yesterday: Can we afford not to build a habitat for homo sapiens in which his species can survive?

That is the subject of the panel this morning.

We are living in an exciting, troublesome and sometimes frustrating time. But it is exciting enough and full enough of promise to more than make up for the troubles and frustrations.

It is your good fortune and mine to live at a time when the world is going through one of the very infrequent periods when it is moving from one great historical era to another.

A time such as when man came out of the caves.

A time such as when man discovered he could plant seeds and grow crops.

A time such as when western civilization came out of the Dark Ages of feudal times.



A time such as when western civilization was fighting and winning the Industrial Revolution.

Such a time is now.

We have won the Industrial Revolution. All that is left in that war is the mopping-up stage. The broad general area is secure. We have entered the Age of Potential Abundance and Affluence.

Now we must decide as a Nation, as a Society, as a World, how to use for a fuller life the higher ground we gained in winning the Industrial Revolution.

Now again we are at a great fork in the history's highway.

One fork leads to disaster. This is the road where all-out production, speed, novelty and material progress at any price comes first and people second. This is the road where man can smother himself with the foul by-products of his own technological proficiency. This is the road to unimpeded population impaction in slums and ungilded ghettos and unrelieved monotonous and ugly strip-city and suburban sprawl, and segregated suburbs, the ghettos of tomorrow, where people have no faces, no names and bereft of dignity a man is no longer master of his own destiny.

This fork -- the wrong one, I am convinced -- leads to sending more millions of rural people to our already overcrowded cities. This fork leads:

- to polluted air and uncollected garbage,
- to aberrant social behavior brought on by population impaction,
- to polluted water and unmanageable city problems,
- to smothering of natural and man-made beauty in the accumulation of trash and ugly roadsides,
- polluted air and unabated noise disturbance,
- to destruction of our last remaining wilderness area and the destruction of our fish and game.

I do not believe our society will choose this course.

We must not.

Rather I am convinced that our society will choose the other fork -- the right fork that leads to an intelligent use of the geographic space of this world and the gains of the Industrial Revolution to build a higher grade of civilization.

I am convinced that we will build a world where all men can work upright in the sight of God in the bright sunlight where all who are born will have a truly equal opportunity for a full and satisfying life.

This fork of the road leads not only to the survival of mankind but to his greater grandeur.

This fork of the highway of history leads past geographically spaced communities of tomorrow where man can, in our time, attain the full limits of his spiritual endowments. A civilization where people are not crowded on top of people -- where each man can work in full dignity in his own space bubble -- where there is enough space to make living possible, to make governments governable -- to make it possible to abate the evils of air pollution and the smog that threatens to smother us, to abate water pollution that threatens to poison us -- to make it possible to dissipate solid wastes without polluting the water or the air.

We want to discuss here this morning the outlines of a mixed strategy required to move history along the right fork -- to implement the National Quality of Living Policy that Secretary Freeman called for yesterday morning.

Such a mixed strategy would consist of action to preserve and build a quality environment -- to eliminate physical and chemical pollution. It would also consist of a quiver of arrows -- a complex mixed strategy to escape and prevent further population impaction pollution.

Such a mixed strategy would include actions to:

- improve, brighten up and open up the cores of the big cities -- undertake massive programs of what some people call ghetto gilding;
- break the iron rings around the city without causing a spill over into unsightly strip-city or suburban sprawl or establishment of segregated suburbs -- sometimes called ghetto dispersal;
- provide for small and large open spaces within the large cities and suburbs and for large areas (30 or more miles) of open space between centers of dense population concentration;
- build entire self-contained, self-supporting new towns or communities, including the revitalization of old towns, villages and small cities;
- fully adequate education and training of migrants and potential migrants before they move from one place to another in search of work; and
- town and country development -- the spurring of a now underway rural renaissance embodying the new and larger concept of modernized urbanization involved in the new multi-county non-metropolitan area, district or community, with open country, villages, towns, and small cities that make up a viable economic unit of trade and labor market centers that is interspersed in the expansive, geographic space that lies between the largest cities and outside the metropolitan areas of our country.

There are, of course, many elements and dimensions in a total town and country development program with necessary attention to quality of environment and security of supply.

The issues before this panel today and its challenges are sharply pointed up by the following quotations: one from the Department of Interior Yearbook and the other from President Johnson's recent message to Congress on farmers and rural life.

The introduction to the Interior Yearbook says in part:

"Man is a threatened species. The twin specters facing him are overpopulation and unbridled technology -- both self-induced.

"The double threat is aimed most directly at man's environment. As the United States strives to accommodate more human beings than it has ever had to serve before, increased demands are placed on our natural resource bank. Our surroundings become increasingly crowded, noisy, and soiled.....

"Searching back into prehistory, we find that almost every loss of a life form or species has been caused by one or a combination of three things: Intensive specialization leading to an evolutionary deadend, geological or climatic forces which proved catastrophic, or some other species of fatally inimical life.

"It is remarkable that throughout millions of years of evolutionary struggle toward humanity, the life form which was to become man escaped the trap of specialization. This changing, adapting species with its human destiny, managed to maintain its options. It also survived the elements.

"The third threat -- from a strain of hostile life -- remains a force to be reckoned with. That threat is man himself.



"Having avoided the fatal turn of the evolutionary road which led other life forms to an overdeveloped hide, a wing, or a fin, man has used his grasping hand and his creative brain to build himself another kind of trap -- a technological trap -- and he is crowding it with ever-increasing numbers of his own kind.....

"Man stands at a fork in his environmental road to the future.

"The two arms of the signpost do not state categorically, 'Man -- Master of Himself' and 'Man -- An Extinct Species,' but it is increasingly apparent that the direction he takes now will move him rapidly along the path toward one or the other destination.....

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The President's message on farmers and rural life says  
in part:

"The proposals I have discussed to this point are designed to place American commercial agriculture on a sounder and stronger footing.

"But this is only half the battle.

"For there are thousands of men and women in rural America who need a different kind of help.

"The statistics tell the grim story:

- Farm employment has fallen by 46% between 1950 and 1967.
- Nearly 1.5 million small farmers earn less than \$5,000 per year. Their resources are meager and they have little to sell. Their existence may hang on a thin thread: a few acres of tobacco and cotton, an old-age pension, and the Food Stamp Program.

- The rate of unemployment and underemployment in rural America far exceeds the national average.
- 10 million people in rural America -- one in every five falls under the poverty line, and millions of families live in housing that shames a modern nation.

"What promise is there for the sharecropper who has been replaced by a machine? What new job will open up to the 50-year-old farmer who has spent his entire life working the soil? What future can a young farm boy aspire to, when only one out of ten can expect to earn a living as a full-time farmer?

"Unprepared and untrained -- with nowhere else to go -- they have left the land they know and streamed into the teeming slums of American cities.

"The problem they pose touches us all. It is a problem of urban America no less than rural America.

"We have long spoken of parity of opportunity for rural Americans. I speak now of making that promise a reality.

"It will require action -- both long and short range. The foundation of that effort has been built.....

"But some people still go hungry in rural America.....

"Many of our poorest farmers cannot leave the farm for other work. They are untrained. And they have passed the age when job opportunities can open up a new life. They are boxed in.

"They cannot 'go into something else,' for there is no place else to go. But they can be aided more effectively -- and economically -- on the farm.....

"There are places in the hollows and small country towns that look as if America had never moved forward from the grim days of depression.

"Over three million families outside our metropolitan areas live in ramshackle and dilapidated dwellings.

"More than half of the Nation's 6 million substandard housing units are outside our metropolitan areas.

"But our federal housing programs have not been able to reach effectively enough into those dusty roads of a by-passed America.

"I propose that we move now to correct this situation.....

"I want to make certain that the residents of rural America participate fully in this important housing program....

"The rural American displaced by technology has a proud heritage of hard work. He does not want welfare. He wants a job.

"If the jobs are in the cities, men will move there.

"Eighteen months ago, in Dallastown, Pennsylvania, I said:

'History records a long, hard struggle to establish man's right to go where he pleases and to live where he chooses... We lose that freedom when our children are obliged to live someplace else if they want a job or if they want a decent education. Not just sentiment demands that we do more to help our farms and rural communities. I think the welfare of this Nation demands it. And...I think the future of the cities of America demands it, too.'

"Today 70 percent of our people live on 1 percent of our land. By the turn of the century -- if present trends continue -- there will be 240 million Americans living in urban areas occupying only 4 percent of this great and spacious nation.

"I think we can change this trend by setting a goal of full parity of opportunity for Rural America. Industry, technology and transportation can bring jobs to the countryside rather than people to the cities. And government must help.

"In our growing economy, private enterprise -- today -- is creating thousands of new jobs in the small towns of America. We can do more to develop job opportunities and to provide assistance to those who want work.

"With legislation now on the books, we can move to reduce rural underemployment and unemployment by the end of 1968.....

"But jobs alone are not enough to make the countryside more livable and more convenient for rural Americans. What is needed is a restoration of rural-urban balance -- a balance that assures rural America its full, fair share of educational, economic, social and cultural opportunity.....

"The stability and endurance of the farmer are a priceless part of our Nation's heritage. His love of the land expresses the American dream -- that a man should be able to shape his own destiny with his own hands.

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"The farmer and the rural community need government's help, and government must respond.

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LYNDON B. JOHNSON  
THE WHITE HOUSE"

I thank you.

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TOMORROW'S COUNTRYSIDE

Chairman Ikard, distinguished guests, distinguished participants,  
ladies and gentlemen:

In 1936, a great President, Franklin D. Roosevelt, called for a  
North American Wildlife Conference. In doing so, he said:

"My purpose is to bring together individuals, organizations,  
and agencies interested in the restoration and conservation  
of wildlife resources. My hope is that through this conference  
new cooperation between public and private interests, and  
between Canada, Mexico, and this country, will be developed;  
that from it will come constructive proposals for concrete  
action; that through these proposals existing State and Federal  
government agencies and conservation groups can work cooperatively  
for the common good."

I am proud that the 1936 conference committee included the Chief of the  
Forest Service as its chairman, and the Secretary of Agriculture as one of  
its three Ex Officio members -- and even then, they had the pleasure and  
inspiration of working with the distinguished Dr. Ira Gabrielson, who was  
also a member of that committee at that time. So there is a continuity here  
that I value highly -- an atmosphere that makes me feel "right at home."

Secretary Freeman and I feel that we and the Department have gained  
much from conservation organizations such as are represented here.

---

Talk by John A. Baker, Assistant Secretary, U. S. Department of Agriculture,  
at 33rd North American Wildlife and Natural Resources Conference, Shamrock  
Hilton Hotel, Houston, Texas, March 11, 1968.

The advice and counsel of conservation leaders are most valuable to us. I don't need to tell you that conservation issues are often complex -- as well as controversial. We don't have a "Solomon" on tap, but we do have a qualified Technical Action Panel (TAP) in every county, every multi-county district, and every State. And we do try to hear and understand the viewpoints from all sides. We need all of the help we can get in formulating and supporting sound resource management decisions.

We are indebted to the Wildlife Management Institute, the National Wildlife Federation, the Wildlife Society, and other groups for the effective way they "stand up and get counted" in the Halls of Congress and elsewhere when conservation issues come to a head. One thing becomes clearer with every passing month -- conservation is not a one-agency job; it is something that relates to the total fabric of man's existence.

Members of the Wildlife Management Institute have always been keenly aware of the vast efforts to protect and perpetuate various endangered species of animals and other life forms. The longer you are associated with the work of your great organization, the more you realize all species of life are endangered to various degrees.

Today I want to discuss the threat to one endangered species - homo sapiens.

The 1968 yearbook of the Department of the Interior -- that great Department with which USDA cooperates so closely, so continuously, on so many activities and so harmoniously -- has an arresting and provocative title..."Man...an endangered species."

The book answers, with compelling logic and ample evidence, its own question.

Man is indeed a threatened species, faced by the twin specters maldistribution of population and unbridled technology.

This is why your theme for this opening session -- "The World People Want to Live In" is so appropriate at this particular moment in history.

Without further delay man must come to understand himself as part of a total macro-ecology. A macro-ecology that embraces the cultural, institutional, economic and social parts of the environment as well as the physical, natural, and biological. We must learn to quantify our goals for the kind of world we want, and can build. We must quantify and make explicit the many environmental variables and their relationship to each other. We must keep all of this before us as we strive for a total systems analysis of communities of tomorrow with high quality environment, security of supply and without species-destroying pollution of population impaction, population explosion, and air, noise, water, chemical and heat pollution that is destroying our urban habitat.

Whether we like it or not, Western Civilization (and the World) are entering a New Era in our time -- a great fork in history's highway. It is a period similar to those few times in the past when, perhaps by luck, mankind took the right fork and stepped out on a road that allowed society to move up to a higher plane of civilization. With bad luck, man might have taken the other fork -- a fork that could have led to his own destruction and disappearance.

We have won the Industrial Revolution. All that is left of that revolution is the mopping-up stage. The broad general area is secure. We have entered the Age of Potential Abundance and Affluence.

We must now decide as a Nation, as a Society, as a world, how we use, for the betterment of all people, the higher ground we gained in winning the Industrial Revolution.

One fork will lead us, in striving for ever greater material production, to still more of the less desirable spin-offs of the mistakes we made in winning the Industrial Revolution. If we follow this fork, mankind will smother himself in the foul by-products of his own technological proficiency.

This wrong fork would send still more millions of rural people to stack on top of those already locked in by iron rings overcrowded ghettos.

It would lead:

- to further population impaction in overcrowded slums;
- to the endless spread of seamless, monotonous, ugly, unrelieved, wasteful strip-city and suburban sprawl;
- to further piercing and pummeling of man's space bubble;
- to greater pollution of our air and water and to more unmanageable city problems;
- to a smothering of natural and man-made beauty in accumulating trash and solid wastes;
- to destruction of wilderness and fish and wildlife habitat.

This fork could lead ultimately to destruction of mankind himself by his own acts.

This fork risks the survival of the human race itself because of overcrowding and the great waste by-products of industrial productivity.

I cannot believe the world, our civilization, will choose the fork that leads to self-destruction.

I am convinced that our society will choose the other fork -- the fork that leads to an intelligent use of the geographic space of this world -- the fork that permits man to direct the advances of the Industrial Revolution toward building a higher grade of civilization...where all men will have a truly equal opportunity for a full and satisfying life, regardless of religion, or race or region.

I am convinced that our Nation is taking the right fork because your organization and others are helping to guide the way, because President Johnson is providing positive, aggressive leadership to point us in the right way. In his recent message to Congress on farmers and rural America he said:

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The introduction to the Interior Yearbook says in part:

"Man is a threatened species. The twin specters facing him are overpopulation and unbridled technology -- both self induced.

"The double threat is aimed most directly at man's environment. As the United States strives to accommodate more human beings than it has ever had to serve before, increased demands are placed on our natural resource bank. Our surroundings become increasingly crowded, noisy, and soiled...

"Searching back into prehistory, we find that almost every loss of a life form or species has been caused by one or a combination of three things: Intensive specialization leading to an evolutionary deadend, geological or climatic forces which proved catastrophic, or some other species of fatally inimical life.

"It is remarkable that throughout millions of years of evolutionary struggle toward humanity, the life form which was to become man escaped the trap of specialization. This changing, adapting species with its human destiny, managed to maintain its options. It also survived the elements.

"The third threat -- from a strain of hostile life -- remains a force to be reckoned with. That threat is man himself.

"Having avoided the fatal turn of the evolutionary road which led other life forms to an overdeveloped hide, a wing, or a fin, man has used his grasping hand and his creative brain to build himself another kind of trap -- a technological trap -- and he is crowding it with ever-increasing numbers of his own kinds...

"Man stands at a fork in his environmental road to the future.

"The two arms of the signpost do not state categorically, 'Man -- Master of Himself' and 'Man -- An Extinct Species,' but it is increasingly apparent that the direction he takes now will move him rapidly along the path toward one or the other destination...

"Rene Debos, in an essay on 'Environmental Quality in a Growing Economy,' says that 'the problems posed by adaptation to crowding bid fair to change in character and to become of increasing importance in the near future . . . Furthermore, experimental studies with various animal species have revealed that excessive crowding results in many forms of behavioral disturbances ranging from sexual aberrations to cannibalism or . . . more interestingly to complete social unresponsiveness.'"

This fork of the highway of history leads past geographically spaced Communities of Tomorrow where man can, in our time, realize the full limit of spiritual attainment of which he is capable. A civilization in which people are not crowded on top of people -- where each man can work in full dignity in his own space bubble. A civilization where there is enough space to make living livable, to make governments governable -- enough space to abate the evils of smog and air pollution that threaten to smother us, to abate water pollution that threatens to poison and kill our fish -- enough space to make it possible to manage solid wastes without polluting the water or the air.

Imagine, if you will, a future in which the American landscape is dotted with multi-county communities that include a blend of renewed small cities, new towns, and growing rural villages. Each of these larger Communities of Tomorrow would contain its own jobs and industries, its own college or university, its own medical center, its own cultural entertainment, and recreational centers and would boast an agriculture that fully shared in the national prosperity.

Imagine hundreds of such communities that would enable 300 million Americans to live in less congestion in the year 2000 than 200 million live today.

These are not mere dreams. They are the kind of communities that are evolving in many parts of the United States. Americans are rediscovering the town and country community as a pleasing blend of urban opportunity and rural heritage -- a place where people can enjoy all the advantages that in an earlier age were associated exclusively with the city -- yet find elbow room and retain their identities as individuals -- identities all too often lost amid compacted urban populations.

We need to give immediate attention to developing strategies that will preserve and improve our big habitat -- balance up our big ecology -- so that our planet will be safe for man and all the beneficial living things.

In so doing, we need continued progress toward an economically, esthetically and socially viable countryside...one in which the cash registers are made to ring more merrily on Main Street...one in which the small farmer gets a fair return on his work and capital investment... one in which the foul byproducts of our industrial progress are diminished rather than tolerated and allowed to increase, as is still the case despite the rapid expansion of public concern and improvements so far made in industrial practices.



It is perfectly clear to you, and to any of us that have studied the problem, the solution does not lie in a pure, simple, single-shot strategy. It will take a complex, mixed, and varied strategy. Yet the whole must be orchestrated into a harmonious production.

Such a mixed strategy must provide many initiatives, many thrusts. Starting with those areas with which you are most directly involved.

-- we must preserve wilderness and wilderness values and adequately manage our wildlife and fish;

-- we must provide mini-outdoor experiences as close to where they live for as many people as we can;

-- we must develop techniques and policies that will insure the family farmer does not have to bear the burden of depressed prices when production exceeds current needs -- that will assure him a fair and full share of the abundance which he helps make possible.

-- we must open up green space in the cities, reduce population impaction;

-- we must prevent further unplanned, ugly, strip-city and suburban sprawl;

-- we must move toward self-sustaining new towns, spaced well apart, with large vistas of open country between them and other centers of population;

-- and we must revitalize rural America as a place where an increasing number of people can live and make a living -- partly because country living is a good life and partly because we must do it to relieve the problems of the cities.

I am convinced we will take this road to survival and greater grandeur because your organization and the Departments of Agriculture and Interior are providing President Johnson the leadership that is pushing forward a new era of creative conservation. We in the Department of Agriculture are gratified to fight by your side to preserve the abiding values of wildlife and wilderness to our society, of country living and freedom from smog.

Our rural renaissance is bringing a more even geographic distribution of economic and cultural opportunity to this country, a better population balance. This renaissance is alleviating the unhappy results of an unbroken migration pattern in which people depopulate the countryside to over-populate the cities.

Rural America is on the move only because its leaders, its people, and organizations such as yours, are wholeheartedly working at town and country development. Further progress depends upon continued efforts by you doers who are actively laying the groundwork for a viable countryside of the future.

Let's take a look at the dimensions of this rural renaissance.

Jobs constitute one index of this growth. In the decade of the fifties, new jobs in small cities and rural areas grew about 2 percent a year,

about the national average. But from 1962 to 1966 town and country employment grew at about 4 percent a year, higher than the national average and that of metropolitan areas. In other words, new jobs in cities of under 25,000 population -- where most rural jobholders work -- have been increasing at a faster rate than in large metropolitan areas over the past few years.

The expansion of rural job opportunities has slowed, but not stopped, the migration of people from country to city. But this exodus is less today -- down from an average of nearly 600,000 people a year in the fifties to less than 120,000 people a year during the first 5 years of the present decade.

These dramatic statistics, indicating that we have almost reversed the lemming-like migration of people off the land, brings me to a point that I want to explore with you and to seek your help in meeting.

Obviously, a rural renaissance is underway. Town and countryside are being industrialized; jobs are increasing from new businesses growing up around new industry, from improved farm income and from expanded outdoor recreation activities of the American people. Just as obviously this town and country growth has gained considerable momentum.

As we continue to push forward in this renaissance of town and country America, we must make sure that we do not repeat the same mistakes we made, environmentally, in our headlong rush toward urbanization and industrialization in an earlier age.

If we don't take heed now, if we don't take precautionary actions, if we don't prevent the same kind of despoilation as occurred in city building and permit our rural areas to also be despoiled, man will then have lost his

last great option. There won't be anywhere else on earth to go.

We must make wise choices in rural land uses; we must exercise judgment in location and spacing decisions; we must subject our entire future development to thoughtful overall comprehensive planning on a broad enough base to assure a high quality environment, without pollution of any kind, in town and country communities of tomorrow.

In this regard you will want to give even closer study than before to the merits and need for the multi-county rural planning legislation that President Johnson has recommended as amendments to Section 701 of the Housing Act of 1954.

As a second point of emphasis, I want to invite your attention to a new and growing resource program initiated by the Food and Agriculture Act of 1962. We are integrating conservation with economic development through Resource Conservation and Development projects. Seven years ago there was not one Resource Conservation and Development project in the United States. Now 41 have been approved for planning and operation, and the President has recommended that 10 more be started. Those now in operation embrace over 100 million acres, an area almost the size of Iowa, Illinois, and Wisconsin combined.

Each of these projects is "multi-purpose" in the broadest sense. Each conserves natural resources in an integrated, well-planned manner. Each brings jobs to local communities, conserving the human and economic base of rural America.

Based on comprehensive resource development and planning, the projects are valuable laboratories in which techniques for developing the communities of tomorrow can be proven out. Even more important -- people in these project

areas are being substantially helped.

Another kind of new initiative underway is a pioneering research project on the northern outskirts of San Francisco. Nacasio, an attractive valley community, is like thousands of other suburban areas -- in danger of being swallowed up by formless urban sprawl. The Forest Service -- along with several local agencies, including landscape architects, planners, and people in the community -- is engaged in a broad study to see if advance planning can save the rural beauty of this lovely valley community from the blight of unplanned suburban development. If we succeed there, we will have a blueprint for other threatened communities.

To this new conservation thrust, with all its implications for community development and the future quality of life in the United States, you have already made and are making a remarkable contribution.

The nationwide Cooperative Wildlife Research Unit program inaugurated in 1935 helps meet the growing national need for men trained in wildlife conservation and in the management of our increasingly valuable wildlife resources. The fruits of this national conservation education effort initiated by the Wildlife Management Institute, will be harvested many times by generations yet unborn.

This kind of accomplishment is at the heart of our efforts to build a better countryside of tomorrow.

The Department of Agriculture is engaged in a broad-scale effort to educate the public to the values of preserving our countryside, forest, and wilderness resources.



We are planning to develop model outdoor classrooms in the National Forests -- classrooms that include aquatic nature study areas, school and group overnight facilities, auto tours with the use of brochures, and hiking facilities. We also hope to use small watershed projects for the same purpose -- to develop outdoor classrooms tied to recreation -- classrooms developed in cooperation with sponsoring organizations and local people.

We are exploring the idea of developing a model of schoolground conservation within a low income area of a large city -- a model that can be applied in many cities, thus making conservation-education available to disadvantaged city youth.

We intend to establish woodland areas especially for use by the handicapped. Included in this will be an outdoor Braille trail on a USDA facility.

We intend to reach the public on television with conservation messages and information on outdoor recreation services available to them.

Now, I would like to turn briefly to another of our mutual concerns.

We need you as private citizens and as association leaders to help us in government in a number of areas.

We need your help to better State and Federal relations. As we meet here today, the once-strong fabric of State and Federal relations is in danger of being ripped and torn. New legislation has been proposed and critical questions raised regarding jurisdiction over wildlife on certain Federal lands. This situation could undo much of the carefully structured cooperative efforts of the past -- or it could be converted into an opportunity to clarify and strengthen the base for

the increased cooperation that the future demands. For example, much more than game species is involved. New legislation, if and when it comes to pass, could lay the groundwork for future work with endangered species, predators, pest species, and the many nongame birds and animals. Although, as you know, the Department of Agriculture has no quarrel with the States over this jurisdictional issue, we recognize the need and responsibility to help resolve the controversy with a positive approach. I hope and urge that you people will do the same--and fast!

We need your help in promoting rational and realistic objectives for conservation groups. As leaders in conservation, you have a rare opportunity to help guide public opinion and related pressures on the natural resource base. In wilderness issues, for example, there is a need for strong voices to be raised in support of wise management and use of renewable resources. The science of wildlife management itself is built upon the application of positive management practices. Harvesting fish and game to strengthen the habitat and the species is a principle that has been proven over and over again. There is need for articulate spokesmen who can relate this experience to the more general case of renewable resources. Nothing less than intensive management of resources on the bulk of the Nation's land base can hope to meet the demands of the future.

We need your help in gaining State and local support and guidance for USDA programs. The resource objectives of the Department of Agriculture are spelled out by Secretary Freeman in his recent booklet, "Resources

in Action." With that in hand, State and local groups can be most effective in helping the Department shape its efforts to meet those objectives. For example, cost-sharing programs, land use decisions, conservation practices--all can benefit from the concern and "know-how" of knowledgeable people on the scene. There is a role for groups like this in making certain the rural areas of America are made more productive in terms of wildlife habitat. Our Technical Action Panels, for example, would welcome your advice and assistance.

In this regard, I think that you could also work effectively in promoting recognition that the development of privately owned lands, and reasonable compensation for private landowners, are necessary to meet the mounting pressures on wildlife resources.

We need your support for research work. Like most other resource activities, wildlife habitat management programs need to be based on a foundation of fact and knowledge. There is a big research job that needs to be done, and the potential payoffs are substantial. Strong programs of research can help show us how to get from where we are to where we want to be in rural America. The Achilles Heel of problems can be found and cut to provide higher benefits from fish and wildlife resources. For example, research has shown how to protect streams in the West Coast watersheds that are vital mainstays of anadromous fisheries. Research on big game habitat requirements and management strongly supports State, Federal, and private efforts to meet recreation needs and increase economic opportunity in rural communities. Important

forest habitat studies on song birds, nongame animals and vanishing species all will help to enhance the productivity, esthetic values, and beauty of American forests and range lands.

Finally I would like all of you to be especially involved in the study and dissemination of information on pending legislation. Your interests are broader than your concern over specific wildlife projects. More important and more productive legislation to meet the objectives of wildlife interests may involve pollution control or land use. Numerous bills are now pending in the Congress that can have a major influence on your objectives. They should be studied and local interests should be advised of your findings.

In summary, the force of progress in America has created vast problems in resource development, protection and wise use.

Scientific and technological inputs have made possible the greatest affluence known in the history of man. The spin-offs or by-products of those inputs constitute, however, a serious threat to man.

But the same science and technology that produced our affluence can be effectively applied toward enhancement of living for all our people. To apply these forces, however, we must look to the land, most of which is rural in character and is in private ownership.

The U. S. Department of Agriculture by virtue of its authorities, responsibilities, competence and services at the grass roots level has a vital role in helping build better communities for tomorrow in the countryside. To do the job will require:

-- greater knowledge through continued research

-- personal involvement in community planning and development on the part of more individuals and all segments of society.

-- full cooperation of organizations, especially resource-oriented organizations such as those represented here today.

America has the space -- land and water -- to develop living room for all its people -- space to build more stable and enjoyable communities in which to live and work -- space to enjoy the really superior qualities of life itself.

A portion of that space is prime farm and ranch land which must be reserved and properly treated to assure adequate food and fiber production for an ever-increasing population. Vast areas are best suited to timber in which multiple use management is highly essential. Other areas must be protected as sources of water supply. Flood and sediment control, watershed protection and improvement of water quality need very widespread application. Soil, water, woodland and wildlife conservation practices are necessary on practically all lands throughout the country. But millions of acres that were once in cultivation can be made desirable for industrial development, residential areas and recreational uses.

This is a big job; one that deserves the active support of all Federal, State, and local agencies and organizations. It is a job that must be done if we are to lift the danger that confronts mankind -- that imperils his very existence.

Thank you and best wishes for a productive and stimulating conference.

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Office of the Secretary

In keeping with the purpose of this meeting, which is to hear your questions and advice, I will be brief today. First, I'd like to present a few facts; then a supposition or two, and finally, close with some questions to you.

The facts are these:

Since 1961 the Department of Agriculture has greatly increased its rural development activities -- because we realize our programs must help the 4 out of 5 rural Americans who do not live on farms, as well as farmers.

Fact number one is that these efforts are bearing fruit.

For instance:

A recently-released Census study shows that the percentage growth of metropolitan areas (defined as cities of over 50,000, plus their surrounding territories) is slowing, while the percentage growth of non-metropolitan areas (rural and smalltown) is increasing.

In the 1950's, metropolitan counties grew by 2.4 percent a year. From 1960-65 growth slowed to 1.7 percent a year. In the same two periods, non-metropolitan counties grew by 1/2 of 1 percent a year in the fifties, while their growth rate more than doubled, to 1.1 percent annually, in the years 1960 to 1965.

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Address by John A. Baker, Assistant Secretary of Agriculture, at the President's 2nd Annual Farm Policy and Rural Life Conference, International Room, State Department, Washington, D. C., March 25, 1968, 11:00 a.m. (EST)

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So, while metro areas are still growing faster than non-metro areas, the gap is narrowing.

This hasn't yet halted the migration from country to city, but a great reduction has occurred. In the fifties, non-metro areas lost an average of 600,000 people a year to the metropolitan areas. From 1960 through 1965 the loss averaged about 118,000 a year.

Fact number two concerns jobs. New jobs in cities under 25,000 -- where most rural people work -- increased at a faster rate than in large metro areas over the past few years.

In the decade of the fifties, new jobs in these small cities and rural areas grew roughly 2 percent a year at about the national average. But from 1962-1966 employment grew at about 4 percent a year, higher than the national average and higher than in metropolitan areas.

The small cities' share of the total employment growth pie is still small, but is increasing. In the fifties, towns of under 25,000 and rural areas had about 17 percent of the Nation's jobs growth. In 1962-1964 this grew to about 25 percent -- up about half.

These are the facts, and now for a supposition or two:

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USDA 973-68

The first is that rural development is working. Since 1960 we've increased community facility loans by a factor of 220 to 1; we've boosted rural housing loans 13 times and the governmentwide conservation budget, most of it spent in rural areas, is up 60 percent.

The second supposition is this: The concept of rural development, rural/urban balance, or whatever you'd like to call it, has been around for a long time. But its support, by and large, has come from rural areas. What is new is that more and more urbanists are seeing rural development as an answer to their problems.

They're beginning to realize, finally, after 20 million rural people migrated to the cities over the past two decades, that there's a relationship between rural depopulation and urban impaction, riots and unrest. They're realizing that poverty -- like liberty -- is indivisible, and that we'll never solve the problems of the city until we solve the problems of rural America which has a double share of the Nation's poverty, in relation to its population. Not all of them realize this yet, but a growing number do.

And so we have these factors:

1. A turn-around in the population and job figures;
2. A rural development program that works;

(more)

3. And a growing awareness that we have to attack rural and urban problems in tandem -- simultaneously -- rather than separately.

And now for the questions:

The sixty-four-thousand dollar one, of course, is how do we keep the momentum going? What can we do, what can you do, to insure we keep this train on the track, and don't wind up switched off to a siding?

Let me be specific: Just how do we get the following, each of which is vital to put rural America on par with the urban complex?

1. Comprehensive overall planning on a multi-county community basis?
2. Strengthening the economic position of family farmers and ranchers?
3. Continued expansion of rural business and industry?
4. Construction and improvement of needed community facilities?
5. Elimination of rural poverty?
6. Improvement of education and job training?

(more)

7. Parity of rural housing?
8. Creation of outdoor recreation and the enhancement of rural natural beauty and cultural opportunities?
9. Intensive natural resource conservation and development for community growth?
10. Massive improvement of rural health and welfare services?
11. Food needed for good nutrition?
12. Transportation needed to tie rural communities together?

These are the 12 cylinders that make the dream of better communities tomorrow become a practical and an attainable reality.

The President gave us part of the answer when, in his Agricultural message to Congress, he asked for

- \* increased appropriations for the Food Stamp Program;
- \* a full range of programs to help the small farmer stay on the land;
- \* a new credit program for rural cooperatives;
- \* more funds to help low-income ranchers who depend on forest lands for much of their livestock grazing;

(more)



\* strengthening of the REA and rural telephone programs:

\* a greatly expanded rural housing program which would include reduced interest rates for low and moderate income rural families, with broadened eligibility for credit under these programs; and

\* an expanded program to revitalize and rebuild rural communities through the attraction of industry and business to produce more jobs.

This last program would include expanded credit programs for firms seeking to locate in rural areas; top priority of SBA loans for the construction of industrial buildings in rural areas. It would extend work training and job counseling and housing for trainees; increase programs to assist rural communities in building modern water and sewer systems and expand grants for this purpose.

The President also recommended authorization of recreation projects in RC&D areas and funds for ten new multi-county, multi-purpose Resource Conservation and Development areas during fiscal 1969.

Finally, the President urged Congress to take action on an important pending measure before it, one of extreme urgency,

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USDA 973-68

" . . . to finance comprehensive planning for groups of rural counties. Such planning," he said, "can help rural communities attract business and industry and make better use of Federal programs. It can help neighboring communities pool their resources -- health, education, training -- to meet the common needs of their people."

This, then, was the message from a concerned President, and to further emphasize his concern with rural America, he invited you here today. We hope you will share with us your ideas, your dreams, and your suggestions on how existing programs can be improved and where new legislation is needed, in these two specific areas:

First, our own programs -- the research, loan, education and action programs of the Department of Agriculture;

And second, Operation Outreach, in which the personnel and facilities of the Department of Agriculture, through the Technical Action Panels, are working to bring all programs of the Executive Branch to rural areas. So - -

1. How can we improve the helpfulness of Department of Agriculture programs?

2. How can the programs of agencies of other Departments be improved to help rural America?

(more)

3. How do we keep the rural renaissance going and accelerate its pace -- without committing in the countryside the same mistakes we made in building our cities?

In the total development of rural America, is "Operation Outreach" having any impact in your area? How can we improve it and make the outreach function more meaningful? How can we make the some 90 Federal government programs more accessible to the areas and people who need them most?

Are the Technical Action Panels doing the job? If not, what are your suggestions? Here this afternoon will be the top people in this Administration -- from Agriculture, Labor, Interior, HEW, and other major agencies. They are charged with the responsibility of making their services and programs available to rural people. They will listen to your suggestions, your criticisms, and your recommendations. You may be sure they will be taken seriously.

What about our rural housing program? Will the President's recommendation for reduced interest rates on housing loans improve the program or is there something more we should do?

What about the manpower training program in rural areas? Is it or can it be made workable? What are the basic problems in getting rural people to training centers?

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USDA 973-68

What difficulties do you find in your area with setting up multi-county plans for development? Is it lack of understanding of the need? Is it lack of technical assistance? Lack of grant funds to finance multi-county projects? Do you need more state-level cooperation and legislation? How can we help?

What about our loan and grant programs to assist rural communities to construct basic facilities like water and sewer systems?

What programs do you need in your area to attract new business enterprises and thus provide jobs for your young people and retrain older citizens? Is it a shortage of capital, of trained labor, or something else that keeps industry out of your part of the countryside?

What is needed to develop the resources in your area?

Do your Main Street businessmen need a better loan program so they can expand?

Is our program to alleviate rural poverty working well in your area?

You are the people who are in the best position to tell us what you need. You are the people who will make these programs work. You know their weaknesses better than we can, where they don't fit; what you need to get the job done.

We are here to listen -- and listen we will. We shall deeply appreciate all your comments, all your observations, all your criticisms, all your suggestions, and even your commendations of approval, if you have any.

Give us both sides, the good and the bad -- particularly we want to know how to further improve both the USDA and non-USDA programs in their usefulness to rural America.

Thank you.

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I am pleased to be with you today.

I am pleased because your request has given me the occasion to bring together many cases and studies in the area of town and country development which I believe will help us all to understand how we can meet the needs of communities of tomorrow.

Let no one downgrade the importance of the concern which brings us together in meetings such as this, or the effort which we are trying to set in motion. Town and country development is not just the effort of a local Chamber of Commerce to get another source of jobs or better schools as a base for future economic growth. Town and country development includes such efforts, of course, but it goes far beyond its component parts. The term which comes closest to expressing the broad sweep and the quality of the transformation we envision is "rural renaissance."

One reason why I like the sound of rural renaissance is that it denotes the people-centered nature of the revival and renewal we are witnessing throughout America. Our people are surging toward a rural renaissance -- refusing to accept rural decline as inevitable -- and striving to enter a new age of history whose abundance has put a new kind of creative living well within the reach of probability.

We have only to go back eighteen years or so to realize the extent of the tide which has been changing the struture and the face of our country.

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Address by John A. Baker, Assistant Secretary, U. S. Department of Agriculture, at Ohio State Resource Development Conference, Columbus, Ohio, Friday, March 29, 1968, 10:15 a. m. (CST).

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In this period television has come along to become the mass teacher -- for good or evil -- and man's outreach has been extended to the moon and beyond. The technological revolution has hit the farm -- and rural areas -- with compulsive impact, driving millions of farm workers from the small security of familiar ways and places to the great insecurities of survival in the unfamiliar environment of an urban jungle.

From 1950 to 1960, 1,500 of the 2,700 rural counties lost population because of disappearance of jobs and other economic opportunities, failing incomes, and inability to provide community facilities and institutions on a competitive basis.

The flight from the farm -- then averaging a million persons annually -- is not the only measure of the drift and neglect which is the horrible heritage of the 1950's. Unlike the 1930's when depression, drought and dust denuded the Great Plains States, the exodus of the 1950's was more a man-made disaster.

This is not to say nothing was done for rural areas in the 1950's, but the action was largely confined to pilot counties and areas. The good which dedicated men and women could do in their communities was more than offset by newer strains of rural neglect. Only a few outside the immediate family sensed the needless tragedy of the rural economy drowning in a rising flood of productivity.

One was President John F. Kennedy who ordered a fresh start in 1961 toward better lives for rural people and toward better farm programs.

Under his leadership and later under the dynamic leadership of President Johnson the Nation provided the resources and the backing that rural leaders needed to cope with rapid change and to erase the scars of neglect.

Another was the political scientist, Louis Hacker. In early 1962 Dr. Hacker took up the problem of "Ninety million Americans, nearly half the population, (who) still live on farms or in towns with fewer than 25,000 inhabitants."

The conditions he found then still ring true, in varying degree.

"This part of the population has not been sharing in the prosperity that supposedly characterizes our affluent society. Despite pleas and inducements, industry is not moving to these areas to the extent it is needed, and small local businesses are suffering from the competition of large national corporations. The young tend to leave, especially those with skills, education and ambition.

"Nevertheless, the citizens of provincial America remain convinced that the values of the small town and small business, and local self-government remain the bedrock of our national character.

"At the same time these Americans are aware that they have been losing status and power in the past several decades."

There are many, as you know, who believe that the need for efficiency and progress requires fewer farms, fewer people in the countryside, and less political and governmental attention to their needs.



Some are even willing to accept the factory farm in place of the family farm. For them, rural deprivation is the necessary byproduct of farm progress, like those sky-high manure piles around the paved 20-acre, 400-cow milk factories near Los Angeles.

Dr. Hacker said, "It is worth pondering...whether the conception of 'progress' should be gained at such a mighty cost."

In 1961, shortly after I was given responsibility in the Department of Agriculture for direction of agencies involved in rural development activities, Secretary Freeman and I set some objectives which some may have thought a bit ambitious, if not unattainable in the face of past rural attrition. At that time I said:

"Rural Areas Development is part of President Kennedy's overall program to promote more rapid national economic growth...We want rural America to contribute its share to national strength and economic growth. We must root out and eliminate rural poverty. Opportunities for people in the countryside, towns and small cities of America must be broadened.

"The goal is a firm foundation for permanent prosperity in rural America. We must turn loose a burst of creative energy to build buying power in the trade areas across our great land. The economic disadvantages and disparities of living and making a living in rural America must be removed.

"The aim of the Rural Areas Development Program is to generate more new jobs and promote more opportunities in rural America.

This is going to take a heap of doing. To take up the present slack of underemployment -- to develop jobs for all who want to work in the rural labor force -- and to have in addition enough new jobs for all the young people coming to working age in the next 15 years -- to do all these things we need to generate 14 million more jobs."

This was a call to action, and this in turn called for the provision of various tools to help local people carry out the action. For the first time, all the agencies of the Federal Government and the Department of Agriculture began to work together to furnish the financial and technical assistance required to implement locally formulated plans, program and projects for economic development of rural areas. This became top priority business in the Department of Agriculture.

Any man who has ever had to sweat out the ordeal of being an expectant gardener knows how it is waiting to see whether you have a crop or a cropper.

In 1962 and 1963 we started talking about a rural renaissance actually being underway, and I am sure that there were those who thought we were talking through our official hats. As a matter of fact, we didn't have any hard statistics then to back us up, only surface indications -- little green sprouts of economic stirring -- here and there. While crop statistics usually lag a few weeks behind the crop in the bins, the very nature of rural development statistics causes them to lag 5 to 10 years behind the event.

At times it may have been only intuition, but first-hand observations led us to believe and then to know that rural renaissance was actually taking place in ever-widening segments of rural America. Let me share with you now some of the details -- and actual results -- of developments which demonstrate that we can accomplish, are in fact moving toward a renewal of rural America.

Because you are familiar with the very fine work which has been carried out in the counties and sections of your State -- and Ohio has many outstanding examples of initiative and leadership in rural renewal -- we have purposely chosen to report on projects in other parts of the country.

#### Tupelo, Mississippi

Seven rural counties of Northeastern Mississippi have made remarkable progress through the combined efforts of town and country people. The hub of the area is Tupelo, a town which has more than doubled its population since 1940 and is now a trading and manufacturing center of more than 20,000 population.

For more than twenty years, rural and town leaders in the seven-county area have been working to create a community of counties capable of growing and developing together. Within the area are 26 development committees, some concerned with towns and some open country. The Community Development Foundation, a planning group working in the seven-county area, has successfully guided the development program in such a way that economic growth and jobs are not concentrated in any one community.

These communities have used dynamic local leadership, business people, and every Government tool that was adaptable to open new doors to opportunity and improvement. They have also used large measures of self-help. The area has financed concrete roads and drainage canals, and initiated diversified farm programs with local private institutions paying the initial organizational and promotional expenses. Such efforts have helped the seven counties to develop one of the most outstanding diversified farm programs in the South and perhaps in the Nation.

The creation of job opportunities and new sources of farm income, together with creation of more adequate community facilities, have helped to keep people in rural areas and on farms.

Here are some measures of progress achieved in town and country development in the seven-county area:

- \* The area has two watershed projects.
- \* This year, for the first time, the area will have a fresh vegetable market and a contract feeder pig market.
- \* The number of manufacturing jobs increased from 7,000 in 1950 to 23,675 in 1966 -- nearly 17,000 more paychecks for the people of the seven counties.
- \* Payrolls, retail sales, wholesale sales, bank deposits are all up, some almost 10 times over 1950 levels.

Little River County, Arkansas

I am on more familiar ground when I talk about the next area where rural renaissance is taking place, Little River County is not too far from the part of Arkansas, Logan County, where I first saw the light of day, as the Ozark folks put it.

Little River County did pretty well as a single-crop farming county until the cotton bubble burst, as it did for so many counties in the Deep South. By the early 1960's, the county's population had dropped from 20,000 to 9,000. Farm families accounted for only 10 percent of those remaining. Poor housing and a lack of community facilities made the future seem even bleaker.

When the Little River Rural Renewal Authority with help of the County Technical Action Panel began to function, a new surge was felt in the land. Farmers began experimenting with new crops: onions, potatoes, green beans, tomatoes and carrots. Watershed protection and flood control plans came into being. The Farmers Home Administration financed the construction of a water system at Wilton to serve about 140 families.

Two large dams, built to prevent floods and impound water for power and other uses, have created a fine recreation potential.

New homes are being built out in the country. Farmers Home Administration alone has financed 228 houses in Little River County. Since 1961 Farmers Home has loaned \$780,000 to 83 farm families to buy, develop, and enlarge their farms. The agency has also advanced loans totaling about \$2 million to farm families to stock and equip their farms to improve operating efficiency.



These new industries have also helped:

- . A plant making wood pallets employs 40 people;
- . A poultry dressing plant employs about 350 people;
- . A musical instrument plant gives employment to almost 100;
- . Another plant manufacturing rubber products has about 150 workers;
- . A paper mill, now under construction by a work force of 1,000 will employ about 465 when completed in August.

These developments have brought new vigor to Little River County, and these gains since 1960:

- employment has increased 124 percent
- bank deposits are up 87 percent
- payrolls are up 273 percent
- average weekly earnings have risen from \$58 to \$94, an increase of 63 percent
- a population increase from 9,211 in 1960 to more than 12,000 now.

And to cap it all, neighboring Sevier County is beginning to feel the effects of the Little River County renaissance, with one new rural water system, new rural homes, and a growing population promising a bright future there, too.

#### West Central Minnesota Development Project

The West Central Minnesota RC&D project is one of ten original pilot efforts started in 1964 to help community leadership upgrade local economies through projects aimed at conserving and developing soil, water, forest, and wildlife resources.

The first RC&D project is Lincoln Hills, covering four counties in southern Indiana along the Ohio River.

The West Central RC&D project area includes 3.5 million acres -- 90 percent of it privately owned -- in five Minnesota counties, Swift, Pope, Kandiyohi, Wadena, and Otter Tail. To date, it incorporates 137 different project measures -- 44 of them completed.

Perhaps you are wondering what this term, "project measure," means. I asked the question the first time I heard it, and was told that a measure is any activity of a development nature which is approved by the RC&D project sponsors. It could be a farm family's action to begin a new farm enterprise, a businessman's investment in a new recreation facility, or new publicly financed community facility.

In this particular area, the installation of project measures has provided 482 man-years of employment. When all measures are completed and functioning, they will create a continuing annual employment increase of 459 man-years. The completed project is expected to increase annual gross income in the area by nearly \$6 million.

Much of this money is being brought to the area by visitors attracted to two outstanding recreation measures -- the Crow Wing Canoe Trail and the Crow Wing Wilderness Saddle Trail. The creation of these trails involved many local people and Government agencies. Among the other 40 separate recreation measures are lakes and golf courses.

The RC&D project also includes a new alfalfa dehydrating plant at Benson, Minnesota, which created a market for 3,500 acres of alfalfa and 4 year-round jobs and 12 seasonal jobs at the plant.

The RC&D project also helped to bring the first public housing in rural Minnesota. The community of Benson, using Federal funds, built a 70 apartment building, Park View Manor, to provide low-rent housing for the elderly.

Upper Peninsula Committee for Area Progress (UPCAP), Michigan

While we are in the north country, we might do well to take a look at another effort in multi-county planning, this one in Michigan.

Michigan's upper peninsula country -- an area half as large as Indiana -- has experienced exploitation in 3-D. First was the depletion of the great pine forests, with this reaching its peak just before World War I. Next came the depletion of the mineral resources, copper and iron, with World War II finishing these off for all practical purposes. The depletion of lake fishing -- with man sharing the blame with the lamprey eel -- was the final blow to a region long dependent upon natural resources for income. Per capita income is about three-quarters of the national average, and unemployment is a chronic problem, as well as being about double the national rate.

To counteract fifty years of decline, community leaders in the area acted in 1961 to create a regional development body, the Upper Peninsula Committee for Area Progress -- UPCAP. Participating in this are 14 of the 15 counties, 4 universities and 6 multi-community action agencies formed under the Economic Opportunity Act.

UPCAP provides assistance to individuals, business firms, and communities to expand existing enterprises or to establish new ones. In 1967, for example, UPCAP aided 14 projects which added 157 jobs in manufacturing and service industries. In the five years before 1967, UPCAP had assisted in the development of projects which created some 5,000 jobs. Many of these jobs have been in rural communities.

Until December 31, 1966, UPCAP provided assistance to applicants for small business development loans under Title IV of the Economic Opportunity Act. Of the 88 loans approved by January 1968, for \$1,248,000, two-thirds were to persons in rural areas. These loans helped to create 232 new jobs. UPCAP is now concentrating on management assistance to loan recipients and others needing such service.

Another UPCAP activity is on-the-job training for 300 trainees. The Administration of this program has been delegated to one of the regional colleges.

Congaree Iron and Steel Company, Congaree, South Carolina

For the next example of rural renewal, let us turn from one involving the typical multi-county or area development group, to one set in motion by one man.

Ten years ago the Congaree Iron and Steel Company was little more than the dream of a man with \$7,000 capital. Today, the company employs 400 workers, and in the process has accomplished

a miracle of sorts for Congaree, South Carolina, a cotton-country community 20 miles south of the state capital at Columbia.

This man -- W. F. Threatt -- wanted to start a small manufacturing enterprise, making steel building joists, right out in a cotton field. To make these joists he needed electricity for welding, but the site did not have it. He applied to the neighboring power company only to learn that it would take half of his capital to pay for the line construction and a four weeks' wait.

Someone suggested that he apply to the nearby Tri-County Electric Cooperative of St. Matthews, a rural electric system financed by the Rural Electrification Administration. The man visited the cooperative office on a Thursday, discussed his plans, and asked for service. By the next Monday the cooperative had built more than 3,000 feet of new line, installed a transformer, and set a meter, at no capital cost to this new rural consumer.

The availability of electric service at reasonable cost meant new economic opportunity for a rural area which had been fighting a losing battle with poverty as more and more of its people were forced out of farm jobs and driven to the overcrowded cities.

The Congaree Iron and Steel Company was started in an open field with ten employees recruited from the local unemployed. The company had to train these men as welders and construction workers.



A year later the company expanded its operation with new capital and hired 50 new employees. In 1965 the Small Business Administration stepped in with a bank participation loan of \$350,000 when the company outran its capital structure. Local employee contributions and a loan from the electric cooperative put the remainder of the needed \$750,000 at the company's disposal. The plant is now in full operation, with 400 employees.

The new company's payroll of \$1½ million annually has become the backbone of the community. Two new schools have been built and 27 classrooms added to existing schools. More than 75 new homes have been bought or built by the company's employees. There are three new service stations in the community, a bakery, a shopping center, a new post office, a machine shop, two new laundries, two new churches, a new restaurant, a fish bait business, and several small country stores. Property values, once at a standstill or on the downgrade, ~~now~~ have tripled.

Doesn't this add up to rural renaissance?

Let me read a single paragraph of a report on Congaree which appeared in the December 4, 1967, issue of The National Observer:

"A dying region has been revived. Negro tenant farmers, who constitute 85 percent of the population in the area, have stopped their steady migration to urban slums. Now they find training and work at home. Some who did move away have returned to work at CISCO. Welfare payments in the region have been reduced."

Bend, Oregon

For a preview of a "community of tomorrow" let us take a visit to a valley in Central Oregon, and to Bend, the county seat of Deschutes County. Many localities would be glad to settle for Bend as it is now, with its natural beauty, economic growth, and bright future. The leadership of this community is, however, actively working to make it an even better place in which to live, work, and play.

The Congress of Community Property, established in 1967, has adopted 42 recommendations in the areas of planning, land use, education, capital improvements, community services, and economic development. This citizens group is also working to put these recommendations into effect.

Another citizen's group, the Deschutes County Long Range Planning Congress, is working on plans for the development of county services, facilities, and resources. One project is a rural domestic water supply. Another is a land exchange program with the Bureau of Land Management for consolidation of publicly owned sites.

Bend and the surrounding countryside have a prosperous and growing economy based on balanced use of the available natural resources. Irrigated valleys and wooded hills permit a wide variety of rural enterprises: farming (potatoes and mint), cattle and sheep raising, logging, sawmilling, manufacturing, outdoor recreation, tourism, hunting and fishing.

Its matchless water supply, four beautiful city parks, Central Oregon Community College and award-winning high school are attractions which promise that Bend can expect to grow beyond its present 13,000 population at the rate of 20 percent a decade.

Lumbering is the number one industry. One firm has announced plans to establish new particle board and plywood plants to join those already operating in the area.

Recreation is another valuable "industry" in the Bend area. In winter, more than 150,000 skiers try the slopes of Bachelor Butte in the Deschutes National Forest. The high snowfields are used for summer training for this Nation's Olympic ski teams.

The area has also attracted professional people who are pleased to practice their medical, legal and educational specialties close to such excellent fishing, hunting and winter sports grounds.

And our astronauts have come to the area to study geological conditions which are similar to those they will find on the moon -- jagged lava formations, pumice plants, and caldera.

The community raised \$30,000 by popular subscription to join the National Science Foundation in financing a 24-inch reflector telescope on nearby Pine Mountain in 1967 to deepen its commitment to science and the space age.

Thus, this progressive, alert community marches toward the Year 2000.

We would like to tell you of other examples of rural renaissance, including those being carried out in Appalachian country by the Georgia

Mountains Area Planning and Development Commission and the Northwest North Carolina Development Association, but we believe these six provide a fair sample of the work underway.

Federal programs to help rural areas have expanded over the past seven years. In 1960 less than \$1 million was made available to help build the basic water and sewer facilities needed to attract industry. Last year \$220 million was made available, benefitting more than a million people, fifty times the number helped in 1960.

Good housing is another basic requirement for developing rural communities. The amount loaned for this purpose has increased 13-fold since 1960, from about \$40 million to more than \$500 million annually, bringing the seven-year total to \$1.5 billion. In all, about 50,000 rural people have obtained housing -- private homes, migrant labor housing, and Senior Citizen housing.

Seven years ago we did not have a single Resource and Conservation Development project. Now 41 have been approved for planning and operations. These projects will involve about 100 million acres, or an area almost the size of Iowa, Illinois, and Wisconsin combined.

Seven years ago there were only 312 watershed projects approved for operations. Now there are 827, with 427 of these multi-purpose projects. This is a four-fold increase from the 95 multi-purpose projects in 1960.

In 1963 we initiated a program to convert unneeded cropland to recreational use.

Under Greenspan, USDA has made 139 grants in 27 States to establish parks, wildlife sanctuaries, hunting areas and water-based recreation. We have also loaned \$61 million to rural communities to develop outdoor recreation areas that enhance the attractiveness of the community and encourage business and industry to locate there.

Community by community, project by project, state by state these efforts are beginning to redress the imbalance which drift and indecision wrought in these United States.

In early 1968 the official statistics are beginning to confirm our knowledge that the rural renaissance is making headway.

The President's Council of Economic Advisers pointed out in its annual report last month that "significant changes have occurred in the pattern of migration and in the growth and distribution of population in the United States" in the past ten years.

To support this, the Council finds that:

"Migration to the north and to the largest metropolitan areas soared during the economic expansion of the 1940's and 1950's, but has slowed markedly in the last ten years..."

"Net domestic migration to metropolitan areas declined from 668,000 a year during the 1950's to 216,000 a year in the first half of the 1960's.

"...In the 1960's the nonfarm population was growing about as fast outside as inside metropolitan areas."

These findings are supported by studies in the Department of Agriculture. Our people have completed an analysis of employment growth in metropolitan and nonmetropolitan areas which shows that:



-- non-metropolitan areas have had a significant expansion in their share of total employment in the past seven years.

-- more than 200 of the nearly 2,100 counties lacking a population center as large as 10,000 in 1960 gained more than 1,000 jobs, and over 300 of these counties gained at least 500 workers.

-- another 500 counties gained from 251 to 499 workers between 1962 and 1966.

In my youth I learned one thing, that the weeds didn't stop growing just because we stopped chopping.

As encouraging as these developments are, we cannot stop to admire what has been done, or tell ourselves that momentum will keep rural renaissance rolling.

For us at this meeting, this raises two immediate questions:

- (1) How do we keep the rural renaissance rolling and widening?
- (2) How do we take sufficient precautions, now that town and country development is gathering momentum, to make certain that rural areas do not take the primrose paths which have tripped up so many of our cities -- overcrowding, destruction of natural beauty, air pollution, water pollution, illogical, haphazard growth, and many other conditions? In other words, do we want to create ugly industrial slums on some of our best cropland, in some of our more scenic areas? Will our rural communities wait until the stable is lost -- lock, stock and stallion -- before we act to save rural values with effective zoning regulations?

At this point, I believe it would be appropriate to lift up some of the observations and proposals which President Johnson made in his February 27 Message to Congress, "Prosperity and Progress for the Farmer and Rural America."

"I propose a 7-point plan to bring new prosperity to rural America," the President states in his Message.

I would like to review with you two of these.

Number 6 was: "Aid and hope for the small farmer."

Number 7: "Continued revitalization of America's rural heartland by improving men's lives through decent housing, better-jobs, and more rapid community development."

Under the heading, "Life in Rural America," the President's Message pictures the plight of the rural poor, the small farmer, the sharecropper replaced by a machine, then states: "The problem they pose touches us all. It is a problem of urban America no less than rural America.

"We have long spoken of parity of opportunity for rural Americans. I speak now of making that promise a reality.

"It will require action -- both long and short range. The foundation of that effort has been built.

-- "The war on poverty is quietly transforming the lives of thousands of men and women in rural America.

-- "'Operation Outreach,' launched last year, brings 90 Federal programs, from health to housing, from education to economic development, to the countryside. Under the coordination of the Secretary of Agriculture, Technical Action Panels organized at the regional, state, district and county level are assuring

that these programs turn into effective action for the people."

On measures to help the small farmer, President Johnson said in the Message:

"I have directed the Secretary of Agriculture to focus the full range of the programs under his jurisdiction to help the small farmer.

"I am also proposing legislation that will:

-- "Increase funds available to small farmers to begin new farm and nonfarm enterprises; and to provide credit to help the farmer to convert his land into income producing recreation areas.

-- "Improve the loan program for grazing associations.

-- "Establish a credit program for rural cooperatives now ineligible for assistance from the Banks for Cooperatives or the poverty program.

-- "I am also asking the Congress to appropriate additional funds to help low-income ranchers, who depend on National Forest lands for much of their livestock grazing, and to increase technical assistance to cooperatives owned by small farmers. "

Concerning measures to increase rural housing, President Johnson said this in his Message to Congress:

"First, I have already recommended legislation to launch a new program, in cooperation with industry and labor, to add 6 million new housing units over the next 10 years for families with low and moderate incomes.

"I am directing the Secretary of Housing and Urban Development to work with the Secretary of Agriculture in bringing this new program to our rural areas.

"Much of the necessary assistance can be rendered by the Farmers Home Administration. For more than three decades, it has helped provide home financing for rural citizens...

"I want to make certain that the residents of rural America participate fully in this important housing program.

"Second, I have recommended legislation which will:

-- "Authorize the Secretary of Agriculture to reduce the interest rates for low and moderate income families so they can borrow under existing rural housing loan programs.

-- "Broaden the eligibility for credit under the rural housing loan program.

-- "Make low-income non-rural residents who have jobs in rural areas eligible for housing loans.

-- "Third, I have directed the Secretary of Housing and Urban Development to insure that the rent supplement program has maximum impact in rural as well as urban areas."

The section titled "Jobs and Rural Development" is one of the strongest in the Message. This is what the President says about rural jobs and development:

"With legislation now on the books, we can move to reduce rural underemployment and unemployment by the end of 1968. I have directed:

- "The Secretaries of Commerce and Agriculture to develop an expanded credit program for firms seeking to locate new plants in rural areas.
- "The Secretary of Commerce and the Administrator of the Small Business Administration to give top priority to loans for the construction of industrial buildings in rural areas.
- "The Secretary of Labor to extend work training and job counseling programs. With the Census Bureau, he will undertake regular surveys of labor market conditions in rural areas.
- "The Secretaries of Agriculture, Labor, and Health, Education and Welfare and the Director of the Office of Economic Opportunity to coordinate expanded area-wide manpower planning, and concerted education and training services.
- "The Secretary of Housing and Urban Development and the Director of the Office of Economic Opportunity to help finance the creation of additional community centers where the rural resident can have access to all the programs designed to help him and his family.
- "The Secretary of Labor to extend the Concentrated Employment Program, which brings together a wide range of manpower and related services in selected geographical areas, to an additional 70 areas -- 35 of them rural.

"In addition, I have recommended legislation which would provide training facilities -- and temporary housing during training -- to enable low-income rural residents prepare for improved employment opportunities.



"But jobs alone are not enough to make the countryside more livable and more convenient for rural Americans. What is needed is a restoration of rural-urban balance -- a balance that assures rural America its full fair share of educational, economic, social and cultural opportunity.

"To help accomplish this, I recommend that the Congress:

- "Increase Federal programs to assist rural communities in building modern water and sewer systems.
- "Extend the period of eligibility for grants for comprehensive water and sewer projects.
- "Authorize recreation projects in Resource Conservation and Development areas.
- "Appropriate funds for ten new multi-county, multi-purpose Resource Conservation and Development areas during Fiscal 1969. This will give the Nation fifty-one such areas, encompassing 100 million acres.

"In addition, I urge the Congress to take action on an important measure pending before it:

- "To finance comprehensive planning for groups of rural counties. Such planning can help rural communities attract business and industry and make better use of Federal programs. It can help neighboring communities pool their resources -- health, education, training -- to meet the common needs of their people."

In closing let me make the point, as I believe the President does clearly in his Message which I have just quoted, that we are engaged

in a social revolution -- a revolution that is an effort to step up to a higher level of civilization that will be possible because we won the industrial revolution and the agricultural revolution.

My second closing point is this: The aim of this revolution is not to destroy or tear away the existing institutional structure of society, but rather to help individual human beings achieve better lives, fuller opportunities, and greater dignity.

Human beings -- people -- are the starting point for, and the end of, the institutional adjustments involved in town and country development.

The motivating force must be the legitimate aspirations and felt needs of the people who live on the land. Efforts of rural folks to attain their aspirations must, of course, take into account their impacts on the rest of the economy and upon natural resources goals. But let us not lose sight of the fact that people are why we are concerned. Someone has truly said, "A human being is an individual of infinite worth."

I also believe we must grasp this chance to shape our destiny -- grasp it here and now, without further delay -- before the chance for choice eludes us.

We can build an America where man is in harmony with his environment -- not at war against it.

As Ralph Waldo Emerson once said:

"The true test of civilization is not the census nor the size of cities, nor the crops -- no, but the kind of man the country turns out."

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It is not through accident nor mere chance that the subject of this international conference is Cities in Context. Nor is it surprising that many nations throughout the world have simultaneously launched massive programs to meet the crisis in their cities, to correct the problems of rural depopulation and decline -- nor that they are now searching for ways to bring sanity and direction to their national economic, social, and demographic growth. There is a fundamental, understandable, and identifiable reason for this.

The United States, like many other nations, particularly the highly industrialized, highly automated countries, is entering a new era.

Our people are groping for new direction, new purpose, and new hope in this uncertain and trying period of transition -- in a time when powerful explosions -- twin revolutions, if you please -- are buffeting and tearing apart age-old institutions.

These revolutions are spawned by the force of rising expectations and the powerful impact of technology. They are made more critical... more urgent...by the implosion of people into our cities...and by the too long delayed demand of our minorities for a rightful place in the sun. Their cry will be heard.

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Address by John A. Baker, Assistant Secretary, U. S. Department of Agriculture, at International Conference on Cities in Context, University of Notre Dame, Notre Dame, Indiana, April 1, 1968, 8:00 p.m. (CST)

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We are, in fact, on the edge of one of those rare, turbulent division points in the affairs of man which decisively separate one era from another -- an era consistent with the realities and imperatives of an age of abundance -- an era replacing the age of scarcity that long was the lot of mankind.

For man, the question has become one of quality rather than quantity -- of "how good?" rather than "how much?" -- and, of overriding importance: "What is the environment doing to man?" rather than "What is man doing to his environment?"

That, basically, is what this conference is all about -- to look at the places where man lives--- to ask ourselves, "How good are they ~~for~~ man?" rather than "How abundant is the life he finds there?" -- to try and thrust aside the veil that clouds our view of the road ahead so that by logic, reason, and planning, we select the right forks as we travel toward the future.

Decisions we make now are more critical than many realize.

The Department of the Interior, in a yearbook entitled "Man... an Endangered Species?" brought this into sharp focus.

Pointing out how the evolutionary process had proved fatal to many other life forms, the yearbook said, and I quote:

"...man has used his grasping hand and his creative brain to build himself another kind of trap --

a technological trap -- and he is crowding it with ever-increasing numbers of his own kind.

"Man stands at a fork in his environmental road to the future.

"The two arms of the signpost do not state categorically, 'Man -- Master of Himself' and 'Man -- An Extinct Species,' but it is increasingly apparent that the direction he takes now will move him rapidly along the path toward one or the other destination..."

But even though man may be building himself a technological trap -- and many of our more distinguished biologists and social scientists are convinced that he is -- we can use that same technology to shape a brighter tomorrow.

All that is required is that we decide as a people where we want to go, then to chart a course of action -- a national policy -- that will get us there.

I would add only that this determination must be made promptly. Technological changes are being thrust upon man faster than he can evaluate them. Each action we take seems to alter our environment in unexpected ways and makes the next crash program more immediately necessary and more ultimately hazardous.

Anthropologist Loren Eisely captured in graphic prose the pace of this change when he told an audience:

"I myself, like many of you, have been born in an age which has already perished...I will not be merely old, I will be a genuine fossil embedded in onrushing man-made time before my actual death."

Before I outline to you a possible course of action -- a promising alternative to greater urban impaction and human isolation -- let me sketch briefly some of the events that led man to this present moment in time -- that placed us in a position of being able to capitalize on the fruits of the industrial revolution and to move up to a higher plane of living, or to plunge ahead on a course that could lead to our self-extinction.

Powerful forces swept the nation as we moved forward into this century. The United States changed from isolationism into an internationally involved power. We experienced financial boom and bust. The exodus of people from countryside to city accelerated, and we were transformed into a predominantly urban nation.

As our cities became more crowded, people who could afford to, began moving by hundreds of thousands to suburbs to escape the undesirable side-effects of urban congestion. Those who remained in the central city -- trapped by prejudice, denial, and inadequate preparation for life -- were joined by hundreds of thousands more from America's rural heartland:

people displaced by advances in technology and drawn to the city by the hope -- often the illusion -- of greater opportunity.

Then...at the start of this decade...the people seemed to pause -- to recognize that in their headlong rush to the cities, in their haste to increase so greatly their material level of living through immediate and unexplored application of expanding technological capabilities -- that somehow, something basic had been lost -- that some of the institutions and social values of the past had been weakened.

Political scientist Louis Hacker reflected the mood of the times when he wrote in a newspaper article in March of 1962:

"It is worth pondering whether the conception of progress should be gained at such mighty cost.

For there is cause for genuine mistrust and bitterness already existing in many American minds and hearts, and its further unleashing may bring serious dislocations to the nation as a whole."

Hacker was concerned about the nation's growing imbalance of people and opportunity, by the decline of our rural heritage.

We in the Department were concerned too, and we decided to act... to respond to the expressed needs of the people, many of whom were already working, singularly and in groups, to try and reverse the tide of rural decline.



We instituted what is known as the rural areas development effort.

We said, in effect, to the people in the towns and small cities, on the farms and in the open countryside: "If you want to remain where you now live -- if you want to improve your community ...to expand its range of economic opportunity and make it a better, more desirable place to live...we will help. We will work with you, shoulder-to-shoulder. We will provide technical advice and guidance, and financial support where possible, to help you achieve your goals."

When we started this community development effort in 1961, many self-styled experts were skeptical. "You're trying to buck the tide," they said. "Cities are the wave of the future. Let the small towns die."

No democratic government could adopt such a cavalier, "let 'em live in the cities" attitude and long survive. The motivating force behind government must be the legitimate aspirations and felt needs of its citizens. Our people were calling for and working toward a rural renaissance -- unwilling to accept rural decline as inevitable -- and it was our concern...within the context of high priority national goals...to help them achieve their objective.

We set to work to help them:

-- develop and implement comprehensive community development plans.

-- to expand job opportunities and to increase the incomes of all their citizens.

-- to improve community facilities and services, from water and sewer systems to schools...and cultural and recreational facilities.

-- to carry forward systematic programs to eliminate poverty and underemployment.

-- to increase farm income.

-- to build new homes, and

-- to develop and make wise use of their natural resources, including expansion of income-producing outdoor recreation, where feasible.

For the next few years, we could feel a quickening tempo, a new feeling of drive and accomplishment.

From community after community, State after State came stories of success -- stories of individual towns and multi-county communities that were forging ahead, gaining people and jobs rather than losing them.

We knew a rural renaissance was underway, but we had no overall statistics, no national proof to show the doubters and skeptics.

But now we have.

Recently released Census figures show that from 1962 to 1966, employment in rural areas and cities of 25,000 or under, grew at about 4 percent a year -- higher than the national average, and higher than that of metropolitan areas. In other words, new jobs in cities of under 25,000 population have been increasing at a faster rate than in large metropolitan areas over the past few years.

This expansion of jobs has slowed, but not stopped, the movement of people from country to city. But this exodus is less today -- down from an average of more than half million people a year in the 1950's to less than 120,000 people a year during the first five years of this decade.

These dramatic statistics, indicating that we are nearing an end to the lemming-like migration of people away from our town and country, shocked some planners. They had dreamed of modernistic, space-bubble cities, with a controlled environment and an underground maze of transportation networks topped by layer upon layer of shops, offices, and living quarters.

But they overlooked a number of sociological factors that worked in favor of the countryside.

First, as working hours grow shorter and wages and income rise and transportation facilities improve, people rush to the open countryside to recreate mind, spirit, and body in outdoor pursuits.

This is a constant phenomenon of every weekend, holiday, and vacation period. It is a dramatic indication the human animal looks to the open country as his most congenial environment.

It is like the false fireplace in the high rise apartment -- man reaching back for a link with his past.

Second, demographic studies show that when people retire, and when they have sufficient income to live where they choose, an increasing proportion move to the towns and small cities in the countryside.

Third, and more important, when a person owns or directs a business in the city and has enough income to buy what he wants and can afford a chauffeur, he often turns to exurban living -- that is, he moves to the open countryside out beyond suburbia: in the nation's capital, to the hunt country of Virginia or to a remote area of Maryland's Chesapeake Bay.

Finally, there is the Gallup poll which showed that job and economic considerations being equal, half of our people of the United States would prefer to live in the countryside or small cities, rather than in an urban environment. But largely because of economic considerations, today less than a third do.

To me, this is sheer idiocy.

With today's modern transportation and communication systems with rural electrification, telephones, trucks and highways man no longer need crowd into impacted population centers to be near a variety of services...no longer for convenience's sake need he subject himself to the smog, the tension, the traffic, the overcrowding, the strife of big city life.

Scientific and technological advances in transportation and communication have even done away with the need to consider many historical locational factors in building cities. No longer is it necessary for the city or industry, by the need for power, to be tied to the river waterfall, or by the need for communication and transportation, to be tied to the harbor or railhead.

Now it is economically feasible for Americans to live and play where they have indicated they would prefer -- in the countryside, with all of its pluses of space and beauty.

So -- what do we here do?

I like the way professor Kevin Lynch of MIT posed the issue in a talk to the American Institute of Planners in Washington,

"The question we must ask about the future city," he said, "is how it will affect the growth of human beings. There are various futures we can imagine.

"Do any of them include a city suited for growth?

"Can we make such a city possible?



"We are already building the future metropolis. If we refuse to intervene decisively, that future is an even suburbia and a frayed interior. It will have its amenities. It also will have its costs, not the least being a denial of growth to a sizeable number of people. And it will have been a splendid opportunity gone by."

I hope we do not let that opportunity pass. I am convinced that mankind cannot afford to let this chance slip through his fingers. Our very survival may be at stake.

I would like to offer for your consideration another kind of tomorrow -- a future envisioned by Secretary of Agriculture Orville L. Freeman.

In a major policy statement, the Secretary said, and I quote:

"Imagine, if you will, a time in the future when the American landscape is dotted with communities that include a blend of renewed small cities, new towns, and growing rural villages. Each is a cluster with its own jobs and industries, its own college or university, its own medical center, its own cultural, entertainment, and recreational centers, and with an agriculture fully sharing in the national prosperity.

"Imagine hundreds of such communities that would make it possible for 300 million Americans to live in less congestion than 200 million live today --

that would enable urban centers to become free of smog and blight, free of overcrowding, with ample parkland within easy reach of all.

"'A dream world?' the Secretary asked. 'Not exactly. It is a world we can build, if we are willing to work for it.'

"These ideal communities can in fact be the Communities of Tomorrow."

This course makes far more sense than permitting future generations to be herded by economic pressure and laissez faire policy into a species-destroying habitat of seamless sprawl, population impaction, and air, noise, water, chemical, and heat pollution.

President Johnson has called for a far-reaching, multi-billion dollar program to save our cities -- a program he says will go far toward sheltering the new generation.

"But," he adds, "there is another way as well, which we should encourage and support. It is the new community, freshly planned and built."

The President points out that these new communities are already coming into being -- on the edge of existing cities and in far out areas that once were farm and meadow land.

In Europe, particularly in England and the Scandinavian countries, new towns are widely seen as an answer to urban sprawl.

Twenty-four new towns, or satellite cities, are planned to ring London, each to have a population of 70,000 to 125,000.

In America, where in President Johnson's words, "the question is not so much the standard of living, but the quality of life," these new communities are worth the help the Government can give. Basically, the job is one for the private developer. But, as the President has recognized, the developer "will need the help of his Government at every level."

In closing, I would like to raise a number of questions which I hope you will seriously consider:

-- Where is the movement of people from country to city taking us, and what, if anything, should be done about it?

-- Is it good for you and me, is it good for the nation, to concentrate our people in cities covering a fraction of our land area?

-- Should we try to establish a national policy on geographic balance of people and opportunity, or should we continue present policies which tend to favor a continued concentration of economic power, and therefore people, into large population centers?

-- What is the maximum desirable size of a city?

-- With a rural renaissance underway, how do we keep it moving and accelerate its pace without creating in the countryside the same mistakes we made in building our cities?

These questions demand an answer while there is still time to act.

No one can doubt that the hour is late.

No one can understate the magnitude of the work that should be done.

No one can doubt the costs of inaction.

I urge you -- let us chart a course that will remove the scars of collision between man and his environment and enable us to build a future where the quality of man's life is matched only by the inventiveness of his inquiring mind.

I thank you.

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For recorded message by Assistant Secretary Baker  
to Washington State TAP meeting of June 3, 1968

I greet you today from the City of Washington to the State of Washington, and for many reasons I envy your position out there on the action end of the line.

Wherever TAP forces are meeting and working in the field, I would be with you if I could. For I am convinced, as Secretary Freeman is convinced -- and I believe the President is convinced -- that there is no better devotion of our time and effort than in performance of the mission of TAP.

As we travel over the States, the Secretary and I have seen and hope to see much more of our TAP forces in action. I hope that this taping is but a prelude to an opportunity to meet with you one day soon and see at first hand how Outreach is developing in your great rural regions of the Pacific Northwest.

Your meeting today involves what is recognized more and more as the broadest, most enduring work of all the jobs performed in your agencies and your Department.

Agencies have their particular missions.

In Agriculture, the department has a wide range of responsibilities in the production, the distribution and use of this country's enormous resources of food, fiber and energy.

But more far-reaching than any of these agency or departmental jurisdictions is the fundamental mission of government . . . to serve the widest interests of all the people in every possible way.

TAP carries us forward into that wider field of service.

We are joined more than ever in the overall effort to revive, to preserve, to cultivate new growth and better conditions of life in all the vast community of rural America.

And this is truly a challenge in the national interest.

We know that these United States grew great as a society without exact parallel on the earth ... a blend of the best traditions and character of many lands ... a society combining the strength of both the metropolis and the countryside, the urban American and the free, ruggedly self-reliant rural American.

In recent times, trouble has mounted up as these elements have slipped out of balance in our national society.

In an age of tremendous wealth, when record has been piled upon record in the statistics of sheer volume of our national plenty, much of America has seemed to be veering away from Utopia, instead of breaking into the center of it as might have been expected -- as theorists surely would have predicted.

Trouble floods our cities.

And now there is recognition that much of the flood has swept in from rural regions, where the people for long years were denied their fair share of opportunity to adapt to new times and join in the upward surge of living standards in the 20th century.

Now the nation sees that rural America's problems are the nation's problems.

Now the nation sees that public programs, which may be easier to apply in the large urban centers, nevertheless must be brought

also to the countryside.

Rural communities must have a channel for reaching out for the same resources, the same help.

We are the channel.

The medium is Outreach.

The guiding light is the Technical Action Panel.

As we develop momentum in this crusade -- your agency in league with many others -- we are not working merely to fill filing cabinets with procedural reports.

We are working to help fill rural America with viable, liveable communities.

Our goal is a rural America where people can remain, or populations lost can return, and find the opportunities, the amenities of life as it can now be lived under the best American standards.

This is a formidable goal, and our effort in many ways a pioneering effort. It brings us together from various specialties into a common front against forces of defeat that prey upon the American people.

After more than a year since the intensified effort began in performance of the President's Outreach directive, we are gratified and encouraged by mounting evidence that the job can and will be done . . . that Technical Action Panels can deliver what they are called upon to account for.

There are outstanding examples.

Earlier this year, honors for accomplishments on the part of Department of Agriculture people in the past year were conferred by

Secretary Freeman at a ceremony here in Washington. We were proud that three of those awards were group citations for Technical Action Panels in two of the states most sorely afflicted with problems of rural decline -- Mississippi and West Virginia.

The Distinguished Service Award was earned by the Technical Action Panel in George County, Mississippi. That county TAP organization sparked the preparation of an economic development plan and then worked with the community to help bring in two industries, in lumbering and homebuilding, in pursuit of the plan. Those industries have created more than 700 new jobs in the county. At the same time, this county TAP helped the local people account for major community gains in planning for better public facilities, in opening up new educational opportunities, and improving the environment of life through projects for beautification and public recreation.

Superior Service citations were conferred upon the state TAP of West Virginia for effective work in guiding more rural people to the benefits of employment services and the school lunch program ... for cataloging and informing local communities of programs available to, and especially needed in the rural areas of the state; for statewide accomplishments in beautification of the countryside.

Roane County's TAP in West Virginia, also cited for superior service, produced a year of striking accomplishment in guiding young people to benefits of the Neighborhood Youth Corps, the Job Corps, to educational loans ... in bringing benefits of Medicare and Social Security to more elderly people in the county ... in promoting the benefits of the food stamp program ... in arranging for removal and



salvage of automobile wrecks that were eyesores along roads in the county.

These are not instances where every problem has been solved, nor do they signify that the TAP system is rolling as strongly as it might everywhere in rural America.

But these examples indicate how TAP has been tested in the laboratory of the field and proved successful. They show that a job can be done.

A few days ago I met in rural New Mexico with a regional TAP assemblage representing four states -- the Four Corners of New Mexico, Colorado, Arizona and Utah -- in which some 85 agencies ... federal, state, local and non-governmental ... had come together in common cause.

This also demonstrates the powerful potential of TAP.

Yet the application of this concept is new. We don't take for granted that the people of rural communities fully know about it, or fully understand its promise. And so we emphasize that public information is an important part of the job now to be done. Make ourselves thoroughly known to the people and their community organizations. Bring them into your sessions. Let them know as much as you know about the resources available to them through your agencies, and the collective capability of TAP to help ferret out solutions to their problems.

TAPs are not conceived as mere seminars where agency representatives meet with each other for fellowship and for intellectual exercise, assaying local conditions in the abstract. They must be geared to

solving real and pressing needs of the community as expressed by the community, identifying channels of practical help that the community may not have known where to look for.

The watchword of the Technical Action Panel is "action" -- real and tangible service to the community.

TAP presents us with a golden opportunity to dispel the impression still widespread among many people that they cannot get involved with the government without near suffocation in red tape. There are families, there are community organizations, there are business people who shie away from government service for fear of entanglement in red tape.

Let us make it our business to reduce and eliminate this phobia, not vindicate and aggravate it.

We still have far to go before rural areas that have suffered decline can know that they are safely back on the high road of revival ... or that rural areas not yet blighted by decline can look with secure confidence to the future.

We have far to go before all rural America is on a general par with urban America in employment, housing, income, living, education and all the other social services.

But we have started to make progress.

A rural renaissance is beginning.

We look to the day when everyone who has served in the army of Outreach, who has contributed his full part through channels of the Technical Action Panel, can take pride in a collective record of distinguished service to the nation.

It will be our highest honor and satisfaction, as we work in  
the public service in these times.

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Statement by John A. Baker, Assistant Secretary of Agriculture  
before the Senate Select Committee on Small Business, Subcommittee  
on Financing and Investment, June 27, 1968, 10:00 a.m.

Mr. Chairman and other distinguished members of the subcommittee.

Secretary Freeman has asked me to extend his deepest regrets that a conflict in scheduling prevents him from testifying today and his sincere gratitude for permitting me to testify in his place.

Gentlemen, we need to start now to build better Communities of Tomorrow in our large metropolitan regions and in the countryside of non-metropolitan America. As a representative of the Department of Agriculture, I have come here to speak of the great contribution that town and country development can make in building a better America.

On November 2, 1967, I told the President's Commission on Civil Disorders:

"Past developments and trends in rural America -- particularly on our farms -- are directly related to, and are some of the fundamental causes of, urban civil disorder. Those of us who have been close to agriculture over the years have seen the inexorable thrust of modern technology and organization literally overwhelm millions of families -- white and Negro -- in the countryside -- force them off the land and into the towns and cities, where both white and Negro add to the overcrowding that leads to explosion."

Between 1940 and 1945 the annual net outmigration from farms averaged 1,600,000 people. In the next five years it dropped to 700,000 people per year. Between 1950 and 1955 it went back up to over 1,000,000 people per year.

Between 1955 and 1960, net outmigration totaled about 900,000 people each year, and from 1960 to 1965 it was 800,000 per year.



It is now slowing down somewhat -- and I will soon get into that aspect -- but it has by no means stopped.

Yet, migration of farm people to the city is only part of the picture. In the farming areas of the nation there has been a parallel outmigration of nonfarm people.

Since the end of World War II our population has grown 55 million -- 37 percent. Our gross national product went from \$280 billion to more than \$800 billion. Nearly 3 million farms disappeared as a result of the technological revolution in agriculture. A third of our total population left the city and settled in suburbia.

When farm numbers dropped, fewer businessmen and tradesmen were needed on main street in the small cities, towns and villages of rural America. These people were impelled to leave for the same reason as farmers and their families: the search for jobs and communities in which they can find some of the services and amenities other Americans take for granted.

The onrush of farm technology obliterated their communities, destroying their jobs or their little farms, and sent them in endless streams toward the big and small cities.

When we ask ourselves: "What is there about the city that attracts people so?" the answer, in a word, is jobs -- or the hope for jobs. The hope for jobs in research, in advertising, in industry. The hope for jobs as machinists, as secretaries, as executive assistants. Jobs in hospitals, in department stores, in office buildings.

They come in search of jobs that offer higher pay and greater opportunity for advancement, or, in some cases, they come simply on the possibility of a job -- any job at all that will enable them to feed and clothe themselves and their family and to live in dignity.

For this, they pay a heavy price. They say goodbye to old friends, sever lifelong church affiliations, and leave behind family homes and familiar surroundings.

In the cities, they are forced to make further sacrifices. No longer can they roam downtown sidewalks and parks at night without fear. They have to rise earlier in the morning, drive farther to work, and return home later at night, giving them less time to spend with their families. They have to cope with all the problems that come from having too many people in too little space -- increased traffic, smog, inner city decay, the loss of individuality, rising tax rates, more demands and less incentive or purpose.

For town and country America, the loss of people means a loss of customers and less business for firms up and down Main Street. The tax base to support roads, schools and water systems and sewer systems and other public services declines or, at best, fails to keep pace with increased costs of rendering such services. In many small communities there are now too few people to support the business establishments, medical, dental, and other professions, churches, and essential civic institutions needed for adequate living.

This is one of the reasons why almost half of the Nation's poverty is concentrated in the countryside, where only 30 percent of the people live -- why the proportion of substandard homes is three times as great in rural America as in urban America -- why schools in small towns have less money to spend per pupil on education than big city schools.

I do not advocate that we abolish our cities.

What I am saying is that until the forced influx of people is stopped and turned around, the fight to save the cities can never really be won.

I suggest that we help solve the problems of our cities by generating new opportunity in the countryside.

It is now past the time that we should have begun to seriously consider and adopt national policies which quite literally will spread the population among more areas, large and small, and promote a better balance between the city, the small town, and the countryside.

The old ideas are obsolete.. Like many ideas whose time has passed, their going is marked by conflagration, turbulence and frustration.

Traditionally, we have said the fewer farmers the better, since maximizing efficiency in agriculture will benefit the entire nation..

Traditionally, in some of our most influential literature and social commentary we have ridiculed small town America and demeaned the farmer. These approaches, these ideas, these modes of living, I testify here are obsolete.

We must save the classic concept of the role of the city from being choked from self-strangulation from too many people packed up too close together. We need to save the city through an alternative process of creative urbanization that will utilize rural renaissance as the moving force.

The crux of the challenge is this: To provide the chance for the 200 million of us now here to lead decent, productive lives at the same time that we are preparing this land -- this society -- for 100 million more . 25 or 30 years from now.

A mixed strategy is necessary to build the America of tomorrow.

Such a mixed strategy should include efforts to:

- improve, brighten up and open up the cores of the big cities.
- break the iron rings around the slums and ghettos without thereby causing a spill over into unsightly strip-city or suburban sprawl or the establishment of segregated suburbs;
- provide for small and large open spaces within the large cities and suburbs and for large areas (30 or more miles) of open space between large, dense population concentrations;
- build entire new towns or communities, including the revitalization of old towns, villages and small cities;
- provide fully adequate education of migrants and potential migrants before they move to the city; and
- develop Town and Country America -- the vitalization of a rural renaissance embodying the larger and the new concept of modernized urbanization involved in the new multi-county non-metropolitan area, district or community, with open country, villages, towns, and small cities that make up a viable economic unit of trade and labor market centers that is interspersed in the expansive, geographic space that lies between the largest cities outside the metropolitan areas of our country.

There are, of course, many elements and dimensions in a total town and country development program. The major genesis factors are these:

- a strong and ever-expanding farm family agriculture,
- rural industrialization,
- location of governmental installations and procurement contracts,
- promotion of local opportunities for earning income from tourism, outdoor recreation and scenic beauty.

Every farmer in this Nation is important -- whether he is the smallest of operators or whether he is operating a large family farm. We must keep it that way because this kind of diversity in American agriculture has proved to be the most efficient, the most productive and the most flexible. Prosperity of farmers and ranchers is the backbone of rural, economic and cultural development.

Currently we are launching a series of programs designed specifically to help the small farmers -- of whom there are some 1.5 million.

But in the end, to achieve a parity of income position for all our farm families, large and small family farms must have effective bargaining power in the market place backed up by ability to control supply and set price.

But any bargaining effort, to be successful, must have the concerted, determined support of farmers themselves. Government can and must help, but in the end, any bargaining effort will be a self-help plan, giving the producers a means to help themselves.



Town and country development in addition to good and stable farm income must include good plans for developing industrialization in rural areas. This will take comprehensive multi-county planning. It will take government loan assistance to provide rural communities with basic central water and waste disposal systems and recreation areas. Without these facilities, no area can hope to attract industry and new business nor the people to work in them.

Some 33,000 rural areas now lacking modern central water systems, and 43,000 lacking adequate waste disposal systems need financial and technical help to develop the modern public facilities and services required to attract the new industrial plants and Government installations that will provide jobs. The Federal Government can help. We in Agriculture are helping.

The USDA rural industrialization effort is bringing together all USDA activities to encourage and stimulate the location and expansion of industrial plants and other businesses in non-metropolitan districts and in rural parts of metropolitan regions. Across the Nation an increasing proportion of new plants have gone into rural and non-metropolitan America.

I call on the Nation's small businessmen in the small towns and broad countryside to take the lead in bringing about this rural renaissance.

No one knows better than they the necessity of bringing outside money into a community. They know instinctively and in simple terms some of the most basic axioms of economics. For instance, a man who is a jeweler in

a small town knows that his customers must be his fellow merchants, the farmers, the clerks of his fellow merchants, industrial employees, the bankers, government employees, and so on.

If there were no goods created locally, no farm products sold outside the community, or money brought in by tourists, the government or other sources, how many customers would he have? If the farmer is not prosperous, he is not going to stop at the jewelry store, will spend less at the grocery and cut down on every other kind of purchase for goods and services.

If there is no industry, there is no industrial employee to spend money in the jewelry store or any other store.

Ultimately, the jeweler's customers could become simply his fellow merchants and their employees. But then there will soon be no employees of his fellow merchants and a race would begin to see which fellow merchant is to escape from the town first.

It is elementary and it is obvious.

Equally obvious is the proven fact that goods can be created in Town and Country America, that it is possible to bring in outside money, that it is possible to rebuild the buzzing world of business in rural America... because rural America has the raw material to do it, in both human and natural resources.

Town and Country America is a reservoir of untapped space, beauty and willing manpower.

Rural towns and small cities have much to offer businessmen: plant sites that cost less to buy, less to build on; space for plant expansions; space to park; a stable and willing work force; and an opportunity to live within easy commuting distance of job and outdoor recreation areas.

The Nation's major industries recognize this and are acting upon this knowledge.

The Federal Government, it seems to me, also has an obligation.

Federal agencies should take the lead in decentralizing many of their operations -- particularly routine operations -- to less impacted areas.

Since Nov. 7, 1967, it has been the official policy of the Department of Agriculture:

"To locate facilities, offices, and laboratories in areas of lower density population, in preference to higher density population areas, and in areas of persistent or substantial labor surplus, wherever this can be done without sacrificing essential program objectives and with due consideration being given to the efficient and economical administration of the Department's programs."

The Government should also use its procurement and contracting responsibilities to consciously promote the development of non-metropolitan growth centers.

A Plant Location Center has been established in Washington by the Rural Community Development Service of the Department to provide useful information to industrial site seekers. It is open for use by businessmen on a confidential basis.

Some 3,664 files providing statistical and other valuable information on states, areas, counties and political subdivisions are on file in the center. More than half the land area in the United States is covered by the system and the Department is actively gathering more each day.

Since 1961 the Department of Agriculture has greatly increased its rural development activities -- because we realize our programs must help the 4 out of 5 rural Americans who do not live on farms, as well as farmers.

In just seven years, the Agriculture Department under legislation that the President sponsored and Congress enacted, Secretary Freeman has developed and put into operation dozens of important financial, technical, and resource aids for town and country communities. They take positive action on almost all aspects of development -- housing, family farm stability, conservation, area-wide development and planning, extension education, community facilities, consolidation of Department services for more efficiency in rural counties, and many others.

A recently-released Census study shows that the percentage growth of metropolitan areas (defined as cities of over 50,000, plus their surrounding territories) is slowing, while the percentage growth of non-metropolitan areas (rural and small town) is increasing.

In the 1950's, metropolitan counties grew by 2.4 percent a year. From 1960-65, growth slowed to 1.7 percent a year. In the same two periods, non-metropolitan counties grew by 1/2 of 1 percent a year in the fifties, while their growth rate more than doubled, to 1.1 percent annually, in the years 1960 to 1965.

An implication of this growth is that industrial development taking place in rural areas is beginning to pay off in terms of improved patterns of population settlement. Rural industrialization may be taking some of the pressure off the crowded cities.

One indicator is that private nonfarm employment rates in metropolitan centers of 10,000 population or more have increased about 4 percent annually from 1962 through 1966. In the rural areas and smaller metropolitan areas the increase has been over 5 percent annually -- a favorable comparison.

This hasn't yet halted the migration from country to city, but a great reduction has occurred. In the fifties, non-metro areas lost an average of 600,000 people a year to the metropolitan areas. From 1960 through 1965 the loss averaged about 118,000 a year.

Through its Rural Areas Development Staff, the Rural Electrification Administration assists its electric and telephone borrowers to find financing sources for prospective new or expanded industries in their service areas. The REA specialists are in a position to suggest appropriate financing sources for individual projects and to provide assistance in preparing loan applications and contacting appropriate agency officials. Frequently, obtaining the required capital for a proposed project involves a financing package including funds from several sources, Government and private.

Fact number two concerns jobs. New jobs in cities under 25,000 -- where most rural people work -- increased at a faster rate than in large metro areas over the past few years.



In the decade of the fifties, new jobs in these small cities and rural areas grew roughly 2 percent a year at about the national average. But from 1962-1966 employment grew at about 4 percent a year, higher than the national average and higher than in metropolitan areas.

Employment in private nonfarm industries gained at a higher rate among communities of under 50,000 during 1962-66 than did such employment in the metropolitan areas. The rate increased at from 5 to 6.2 percent among the lesser populated communities, while it increased at a rate of only 4 percent in the metropolitan areas.

These are the facts, and now for a supposition or two:

The first is that rural development is working. Since 1960 we've increased community facility loans by a factor of 220 to 1; we've boosted rural housing loans 13 times and the governmentwide conservation budget, most of it spent in rural areas, is up 60 percent.

The second supposition is this: The concept of rural development, rural/urban balance, or whatever you'd like to call it, has been around for a long time. But its support, by and large, has come from rural areas. What is new is that more and more urbanists are seeing rural development as an answer to their problems.

They're beginning to realize, finally, after 20 million rural people migrated to the cities over the past two decades, that there's a relationship between rural depopulation and urban impaction, riots and unrest. They're realizing that poverty -- like liberty -- is indivisible, and that we'll never solve the problems of the city until we solve the problems of rural America which has a double share of the Nation's poverty, in relation to its population. Not all of them realize this yet, but a growing number do.

And so we have these factors:

1. A turn-around in the population and job figures;
2. A rural development program that works;
3. And a growing awareness that we have to attack rural and urban problems in tandem -- simultaneously -- rather than separately.

A recent Gallup poll shows that, were jobs available, a majority of the American people -- 56 percent -- would prefer living on the farm or in small towns. The interesting thing about this poll is that, compared to a similar one taken two years earlier, the number expressing a preference for rural living has increased 7 percentage points while those preferring city or suburban living has dropped by the same amount.

So the desire for rural community living is there; the trend is in this direction; what remains is to accelerate that trend, to make this kind of living available to those who want it, to turn the exodus out of rural America around; to offer an alternative to many who are now prisoners of the urban ghetto and megalopolis.

Rural America is moving. Communities are banding together to provide jobs and opportunities. Communities are planning so that they can have breathing space. Communities are working together with government at all levels to provide technical training for the disadvantaged so that they can use idle manpower, so that jobs will come to these areas, and so that people in town and country alike can lead decent lives in a countryside linked by clusters of renewed towns. A five county area in North Carolina has changed the face of the countryside with new high schools, a doubled rate of new home construction, a 56 percent increase in gross retail sales, a new technical institute and community college. This area in Appalachia, once poverty ridden, is now blooming and beginning a period of rapid industrial growth.

In Georgia, 17 Area Planning and Development Commissions covering 144 of the 159 Georgia counties have been organized. They're helping towns and counties pull themselves by their bootstraps.

These commissions get financial assistance from the State government under Federal programs -- but first they must raise \$15,000 themselves. It's this kind of local organization and local determination to move ahead that we are encouraging all over America.

The Department of Agriculture has taken specific actions to help rural America in this development process. In the last eight years in this Department we have:

- established a system of Technical Action Panels in every county to tie together all of the Department's services and open a more direct route to the Federal services for local communities.
- redirected credit programs in the Department which make us now the leading source of funds for housing, recreation and community water and sewer systems in rural areas.
- launched new programs such as the Resource Conservation and Development and Rural Renewal programs that will service and support area-wide planning and development.
- assumed responsibility for carrying out War on Poverty programs in rural America, such as the Job Corps, Small Business and Cooperative Loans and job creation in special areas.
- took the lead with State Extension Services and planning agencies and HUD to promote the exciting concept of organized planning and development among groups of rural counties on a regional basis.
- made use of the considerable influence of the Department to stir actions that will help the people in rural America build a new town and country society.

Let me talk for a moment about a few of the outstanding success stories in rural America.

One success so noteworthy that it was featured in Life magazine and the National Observer came in a small South Carolina cotton community, a community with apparently no real economic base, apparently on a treadmill to oblivion. One man stirred this town, Mr. W. F. Threatt. Mr. Threatt started with a dream and \$7,000. Today he is making money, but more important, he has built the community and injected a feeling of hope and prosperity.

Mr. Threatt's plant employs 400 people now, most of them former Negro sharecroppers who have been fighting a losing battle with poverty -- people for whom the only way out seemed to have been a life on welfare in a big city ghetto. Mr. Threatt's payroll is one and one-half million dollars annually.

The new company has helped its employees build more than 75 new homes. Two new schools have been built and 27 classrooms added to existing schools. Scores of new businesses have been added and some services expanded. Young men who had left earlier for the northern cities are now beginning to come back to the community.

That's the story of Congaree Steel and of a man with a vision who planted a steel mill in a cotton patch and watched it grow.



The Department of Agriculture, through the Rural Electrification Administration was able to help Mr. Threatt by putting together a package of credit assistance vital to the program.

REA borrowers have established 2,700 Rural Area Development projects, employing some 215,000 people. There should be many more.

Another success story sprang from the Little River Rural Renewal Authority organized with the help of the County Technical Action Panel in Little River, Arkansas.

Farmers were able to begin experimenting with new crops: onions, greenbeans, tomatoes and carrots. Watershed protection and flood control plans came into being. The Farmers Home Administration financed the construction of a water system at Wilton to serve about 140 families.

Two large dams, built to prevent floods and impound water for power and other uses, have created a fine recreation potential.

Now new homes are being built out in the country. The Farmers Home Administration alone has financed 228 houses in Little River County. Since 1961, Farmers Home has loaned \$789,000 to 83 farm families to buy, develop and enlarge their farms. The agency has also advanced loans totalling about \$2 million to farm families to stock and equip their farms to improve operating efficiency.

These developments have brought new vigor to Little River County and these gains since 1960:

- employment has increased 124 percent
- bank deposits are up 87 percent

-- payrolls are up 273 percent

-- average weekly earnings have risen from \$58 to \$94, an increase of 63 percent

-- a population increase from 9,211 in 1960 to more than 12,000 now.

There are now five similar programs underway in the United States.

We'd like to start a lot more.

The policy of the U. S. Department of Agriculture is to cooperate with and assist local sponsors in developing and carrying out plans for resource conservation and development projects.

The keys to success in resource conservation and development projects are (1) local leadership, and (2) teamwork between public agencies assisting the project sponsors.

The Lincoln Hills projects in Indiana included the four counties of Spencer, Mary, Crawford and Harrison -- counties with serious resource problems.

The initial steps in this program were to survey the soil, develop practices that could be used and get these underway. Many of these have involved tree planting and the establishment of permanent cover.

Then came forest and woodland treatment and other kinds of forestry assistance. Christmas tree planting and management has been promoted as a cash crop for the area. Fish and wildlife developments in the lakes and streams in the area have been promoted and have been very successful in a beginning attempt to make the recreation potential of the area a reality.

A practical board manufacturing plant has been built in the area and a paper mill already in the area has announced plans to double their present size and investment.

Perhaps most significant is the community organization that has gone along with these project measures and the human resource development projects that have accompanied these.

A four county human resource advisory committee is now determining the needs and skills required by industry for the purpose of coordinating these with the needs and skills of the people in the four counties. The ultimate goal is working toward vocational program training that will continue to fill gaps between training needs and industrial needs in the area.

Other developments indicative of real community development have sprung up everywhere.

An area whose people had little hope for improvement now has hope to develop and the young people are staying home.

These are 41 similar programs underway in the United States. We'd like to start a lot more.

Let me mention just briefly the major programs that the Department has in rural America. Our Forest Service manages the National Forests. We depend upon these forest areas for a number of outputs in American life, not only the mature wood that is harvested in a way that preserves the scenic beauty of the areas and allows these areas to be used simultaneously for major outdoor recreation opportunities that must be necessary to meet the growing demands of an affluent, mobile and active public.

We guide recreation development of forest lands along solid lines so that we will both serve the public and strengthen rural economies.

Every dollar worth of timber harvested in the woods increases to a value of \$25 when fully processed and delivered to the point of its ultimate use.

Saw mills are the beginning, but whenever possible, they are complemented with secondary processing plants. Here for example perhaps there is also a possibility for a plant to fabricate laminated beams or structural components of homes or other buildings.

There are many multiple-use forest projects in the United States and we need a lot more.

The Soil Conservation Service has the responsibility for developing and encouraging practices which prevent soil erosion. In June 1968 there were a total of 3,013 conservation districts being assisted by the Soil Conservation Service in 50 states, Puerto Rico and the Virgin Islands. These cover 96-1/2 percent of the total farmland in the United States or more than 3.7 million farms. Complementary to this is the Watershed Protection and Flood Prevention Program which both makes direct and immediate contributions to rural areas in the form of job opportunities for labor during the installation of the structural measures and improves the community in many dimensions because of the developments that are made under the programs.

More than half of the 817 watershed development and flood prevention projects approved by the end of Fiscal 1967 were in states where the average gross farm income was below \$3,500.

Flood control, dependable water supplies, improved environment and recreational opportunities created by watershed projects have enabled many local sponsors to attract new industries and businesses in those areas throughout the United States. Estimates indicate that more than 800 new businesses employing perhaps 20,000 people have been started as the result of the watershed projects across the U. S. More than 1,000 older businesses have expanded and in the process provided another 13,000 rural people with jobs.

The Federal Extension Service has a major goal aiding local people in their efforts to: (1) Conduct programs to help people understand the need for economic expansion and seek and identify opportunities for extension; (2) conduct programs to help local development and organizations plan and implement specific projects; and, (3) assist leaders in obtaining technical and financial assistance through federal and state governments and from private sources.

These kinds of extension programs helped Clair County, Alabama increase the payroll by \$25 million a year, provide 1,750 new jobs, and increase capital investment by \$66 million over the past 5 years. Expansion includes 15 industrial projects, 13 public utility expansions or improvements, 12 public buildings in improvements and at least 4 recreation and tourist businesses providing \$12 million in investment and 300 new jobs.

Extension agents in local counties work with the local Technical Action Panels, they work directly with farmers and rural people to help them develop their farm and nonfarm income opportunities.



They work with cooperatives and other groups to help them develop their agricultural and nonagricultural enterprises, their marketing and processing and in general improve their business management, business organization and development.

They provide workshops and seminars for Boards of Directors, officers and management personnel of cooperatives and short courses for individual owners of small firms and business enterprises.

Perhaps most important, they work to bring the communities together to develop priorities and plan strategies to the kind of development that individual communities want and are willing to undertake for themselves and for their areas.

The President has directed the Secretary of Agriculture to:

- (1) Provide "outreach function" by utilizing all the facilities of the Department of Agriculture Field Offices in a task of assisting other Federal agencies in making their programs effective in rural areas, and
- (2) take the initiative in identifying programs of the nonmetropolitan communities and rural parts of urban communities which require the coordinated efforts of various departments and agencies for their effective solution.

To implement this outreach responsibility USDA agencies:

- (1) assist other Federal, state and local agencies in making their programs and services effective in local areas, and (2) help rural people learn about all the programs and services provided by Federal, state and local agencies outside the Department of Agriculture.

USDA-TAP educational and technical assistance activities are primary, initiatory and coordinative. In the nonmetropolitan communities, USDA technical action panels and the Cooperative State Federal Extension Service had the basic responsibility for stimulating, assisting, facilitating and encouraging districtwide multi-county planning. These are the districts for which the USDA will assume responsibility if the proposed legislation revising Section 701 of the Housing Act of 1954 is enacted.

In metropolitan communities USDA does not have the basic planning and coordination responsibility for the entire region, although it does have responsibility for coordination for agricultural and rural development within such regions.

Secretary Freeman has directed that outreach should have top priority on our time and energy as USDA employees.

It is our purpose and practice that TAP's be on tap and not ~~on~~ top. No community can develop that does not want, really seriously, to develop itself. The democratically elected officials, the government themselves, the local private civic and business leaders must want to build and prosper and provide attractive surroundings. If they do then TAP can be of assistance.

It is our job to see that TAP's are really on tap. To perform this function the Technical Action Panels function at the county, district and regional and the state levels throughout the United States. They include all agencies of the Department of Agriculture stationed in each area and invite participation from local, state and other agencies

with similar interests. The non-USDA agencies have responded magnificently.

Just as inferior housing has been a problem plaguing our cities it is equally or even more importantly a problem in rural areas. Although a relative share of our population lives in rural areas almost half of our substandard housing is there.

The Department's housing program has provided low cost attractive, well-built housing for 745,000 rural people in the last 7 years, including housing for 22,400 senior citizens and modern housing for 15,300 domestic farm workers. Loan assistance available to rural people in towns of 5,500 or less for housing improvement or construction of new housing has increased from about \$96 million in FY 1962 to nearly \$440 million in FY 1967.

The Department of Agriculture will participate fully in the President's proposed program to eliminate substandard housing in the United States and to do this we hope to undertake a program approaching a billion dollars in assistance a year by the early 1970's and continuing through 1977 the goal for achieving our target of decent housing for all Americans.

An efficient and prosperous agriculture is essential as a complement to a developing industrial community. To build a prosperous agriculture and help those farmers who are boxed in and unable to participate in the affluence of this country in any other job the Department of Agriculture makes farm ownership and farm operating loans.

In fiscal year 1960 only about 3,000 farm ownership loans were made for a total of \$43 million compared with 13,987 for a total of \$260 million for fiscal year 1967.

The Department's operating loan program has supplied since January 1961 over \$2 billion in short term and intermediate credit to farm families who were unable to get this type of credit elsewhere -- this is \$821 million more than what was advanced in the previous 7 years.

Let me just list briefly the 13 different loan programs to strengthen family farms, improve rural communities and alleviate rural poverty:

Operating loans to meet operating costs.

Farm ownership loans to buy, improve and enlarge farms.

Emergency loans to assist farmers hit by natural disasters.

Soil and Water Conservation loans to develop conserve and make better use of soil and water resources.

Shift in land use loans to develop grazing areas and forest lands.

Watershed loans to help finance watershed projects.

Rural renewal loans to help renew the economy of rural areas where family incomes are abnormally low.

Community facility loans -- loans with grants to construct, improve or expand water and waste disposal systems in communities up to 5,500 population. Also for construction of community recreation areas.

**Rural** housing loans -- loans to farmers and nonfarm rural residents to construct, remodel, repair or purchase homes with special provisions for senior citizens, farm laborers and low income families.

Resource development loans -- loans for natural resource conservation and development in designated areas.

Appalachia loans -- this is a program of loans for certain areas in Appalachia to finance land owners contribution to land conservation and erosion measures and to nonprofit timber organizations and to improve timber management and marketing practices.

Economic Opportunity Loans to help low income rural families to develop enterprises that will enable them to raise their level of living and also for the establishment of cooperatives with the same objective and recreation loans to help small farmers develop profitable recreation enterprises and for rural communities to develop outdoor recreation facilities.

In addition to these loan programs the Department operates the electric and telephone loan programs.

Let me just make a partial listing of the major community development programs operated by the Department of Agriculture:

- (a) Water and Sewer System Loans and Grants
- (b) Telephone and Electric System Loans
- (c) Housing Loan and Grant programs
- (d) Payments to Communities from revenues from national forestlands for roads and schools
- (e) Watershed Development Program
- (f) Flood Prevention Program



- (g) Recreation Facility Loan Program
- (h) Recreation on National Forest
- (i) Greenspan and Public Access Program
- (j) River Basin and Snow Survey Programs.

I am not so **naive** as to believe that the problem of rural/urban balance can be solved from the banks of the Potomac. We can provide the loans and grants to build rural housing -- and community facilities -- and funds for planning and a great deal more help for communities that want it.

But we can't instill in a community and its leaders the desire for rational growth. We can't -- nor should we be able to -- force an area to plan for multi-county development, making full use of its combined resources. This has to come from local leadership, just as a desire to achieve real rural/urban balance in this country has to come from the people.

Much has been accomplished.

All over the country adult classes in literacy, area vocational schools, manpower development and training courses, labor surveys, improved public schools and technical schools are up-grading and identifying the labor force in the countryside.

Interstate and other highways -- along with feeder airlines, improved trucking and better railroad rates -- are making both markets and raw materials more accessible.

Billions of dollars have been invested in better community facilities these past several years. Water and sewer systems are being built in thousands of rural communities.

Rural schools and health facilities are being upgraded with the help of substantial federal inputs under various programs. Rural electric and telephone services are moving ever closer to parity with urban service. Federal loans from the Department of Commerce and Small Business Administration, along with private capital, are financing hundreds of shopping centers and service industries.

HUD and Agriculture are helping to finance adequate housing in the countryside. Our Farmers Home Administration has made more rural housing loans in the past three years than in all the prior years since 1949, when the program began.

Rural recreational and entertainment facilities are being developed throughout the country, with federal technical and financial assistance available in various forms. Today more than 30,000 rural people market recreation: fishing, hunting, ski slopes -- you name it. Lakes, golf courses and swimming pools are being built and improved.

The rural forces for progress, who want to help industry thrive in the countryside, are getting organized. In thousands of rural communities, they are putting together their resources, putting their plans on paper and into action. Counties are getting together and working in harmony on a multi-county basis.

Your purpose in these hearings as I understand it is to determine what Congress can do now to further Town and Country development in the immediate future.

The first thing, of course, is to get attention to the level of appropriations for the town and country development programs I have

mentioned. In every case, full amount of the President's Budget should be appropriated.

There are, also, several next steps that are now pending before the Congress. Each of these should be enacted before adjournment if we are to do as much as we should now to push along with town and country development -- to implement, if you please, the rural alternative to overcrowded poverty ridden cities.

These are:

1. Extension of the important farm commodity programs;
2. Enactment of legislation along lines of the Mondale bill to strengthen the private bargaining power of farmers in the market place;
3. Food for peace;
4. The important pending food programs;
5. The Housing and Urban Development Act of 1968, with its important rural planning and rural housing provisions.
6. The Consolidated Farmers Home Administration Act amendments which among other things will increase credit available for small farmers and inaugurate a loan program for small rural owned businesses; and
7. The bill to remove the annual ceiling on insured loans to rural public bodies for construction and operation of modern sewer and water systems.

Long range, Mr. Chairman, there is much more that ought to be done and will be done. I commend for your earnest study the intent of the recommendations of the President's Commission on Rural Poverty which actually addressed itself to the problem of overall rural development as well as those of rural poverty.

But for now, for this session, we will have taken significant, major, needed steps by enactment of legislation that is already pending before the Congress.

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I'm proud to participate in this second national conference of the Water Resources Council. I shall suggest in this keynote that you explore some new frontiers.

The Water Resources Planning Act of 1965, in creating the Water Resources Council, provided a conference table for coordinating Federal programs dealing with water and related land resources.

At the same time it provided for establishment of State-Federal River Basin Commissions, to carry forward on a local-State-Federal basis the coordination of all water and related land resource activities within a river basin. We now have four of these Commissions.

In addition, the Water Resources Planning Act authorized stronger State participation, and that is to the good, in water resource planning by providing additional funds.

The Department of Agriculture is participating vigorously in the many activities centered around the Water Resources Council. We believe in these activities and the way they are being carried out in close cooperation with the States. We want to continue to have an active and constructive part in the total effort. We are happy to be on the team.

#### Costs, Benefits and Discounting

I am pleased to note from the agenda that Ken Bousquet is going to speak on "Interest Rates."

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Remarks of John A. Baker, Assistant Secretary, U. S. Department of Agriculture, at the Second Annual Conference of State and Federal Water Officials, Sponsored by Interstate Conference on Water Problems and Federal Water Resources Council, Hotel Pontchartrain, Detroit, Michigan, July 9, 1968, 10:45 a.m.

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With the upward trend in interest rates, I urge all of us who have responsibility for planning water resource developments to give top priority to the need for adequately identifying, specifying and quantifying all the benefits of a project and including each as an integral part of the cost-benefit analysis.

All of you are aware, or should become knowledgeable as soon as you can, of the Congressional committee report language on calculation of benefits of water and related land resource development projects. I find myself in very large agreement with the Congressional admonition.

If we as water development planners are to fulfill adequately our obligation to the national interest and welfare we must expand our efforts to move up to the first table the so-called indirect and secondary benefits; we must, in order to facilitate an intelligent and balanced ordering of national priorities, identify, specify, quantify and count each and every benefit of proposed development projects. In this keynote, I shall ask your particular attention to better geographic balance of economic opportunity, elimination of poverty, water quality and other elements of the quality of the total environment, and your relationship to comprehensive overall planning.

We need to spell out all the benefits of water projects within the broad context of a total systems approach to better communities of tomorrow with security of supply and a higher quality environment.

We need to make our specification and evaluation of all benefits sufficiently precise and concrete in our project studies that we can place them up alongside other traditionally-accepted so-called direct primary benefits.

I believe that we have failed to measure the real worth of the projects. We have followed too narrow a concept by placing most of our emphasis on primary benefits, with too little consideration for indirect and secondary benefits.

Having made this correction, we need to apply to our analysis a realistic rate of interest in discounting of future benefits and costs, even though that rate of interest might not reflect the most intelligent possible decision by society and government of the true or best relationship between the values of present and future goods. But the latter is another, though an equally serious matter, whose consideration is probably out of context here.

Suffice it to say, what we need to do, in my opinion, is to accept for discounting purposes whatever rate of interest society has decided upon or accepted for uniform application throughout the economy and its Government; but simultaneously we as water planners must make certain that all benefits are acknowledged, accepted and included in our calculations. Otherwise, the national interest and welfare is jeopardized because of our underrating the importance to society at large and to the Nation as a whole of the values they need to acquire from the development of their water and related land resources.

I believe that the authority to include indirect and secondary benefits is already set forth in Senate Document No. 97. I have observed with interest the initiative and imagination of the Office of Appalachian Studies as they have developed and applied their "Expansion Benefits." This new concept appears to get to the heart of project benefits that we apparently have been missing. I propose that this concept be explored in light of Senate Document 97 and, if necessary, that S.D. 97 be revised to include this and other new concepts of determining benefits.

### A Geographically Better Balanced Nation

In regard to identification and specification of water development benefits we need to better acknowledge, identify, specify and quantify water development benefits in bringing about a more pleasing and better balanced national geographic distribution of economic opportunity, of jobs and of population patterns.

Vice President Humphrey has said the ideal of the United States is to provide to each person and family a fully and truly free choice to live where he would like to live and to be able to make a good living and to have a good life where he wants to live.

Water Resource development can and does make a major and significant contribution to this aim of national policy. We water planners ought to have the courage and ingenuity to accept and implement this challenge. We can do so only by adjusting our cost-benefit rules and formulas to give this great national aim a first position in scaling the benefits of projected proposals.

Until very recently there has been a prolonged and heavy loss to the cities of people resources and investments from town and country America. This has increased the size and wealth of our great cities but it has also multiplied and intensified the worst problems of the cities.

The loss of people in town and country America means a loss of customers and less business for firms up and down Main Street. The tax base to support schools, roads and water systems and sewer systems and other public services declines, or, at best, fails to keep pace with rendering such service.



In many small communities there are now too few people to support the business establishments, medical, dental, and other professions, churches, and essential civic services needed for adequate living. Can water resource development help reverse this adverse trend? Can we prove our quantified answers?

To do so means giving careful attention to development of defensible data to specify the contribution that each proposal makes to non-metropolitan multi-county community development.

We need to put accurate numbers on the contribution to local employment, increased total and per capita incomes, to decreased level and prevalence of local poverty-- of local unemployment and under-employment -- that our projected proposals will make. We need to value these things and include them as direct benefits in our formulas and calculations.

In this regard, I hope you have studied and related to your work the results of a recent relevant Gallup poll. Gallup asked a scientific cross-section of all the American people where they would like to live. Nearly three-fifths said they'd like to live in the open country or small towns and cities. This was an even higher proportion than in the same poll of two years earlier. This represents a significant guidepost of national values that has a direct bearing on your calculation of benefits related to costs. If the American people are going to be enabled to live where they want to live, water development projects must take this national desire into account and to do so you've got to include this factor in your calculation of projected benefits.

We have not adequately considered the total effect of projects on area and community development. What does the project mean to the local retailer? The Banker? The developer? The average citizen?

Will the project attract new industries to the area or will it enable existing firms to expand?

What will this new business activity mean in employment opportunities and payrolls?

Will the project provide improved opportunities for people to live and play where they want to? Where they need to in the national best interest?

Does the project contribute in these ways to a better America?

These are the types of benefits we have been neglecting. I propose to you that in the future we give the same recognition and acceptance to such indirect and secondary effects of projects in the cost and benefit analysis as we have to direct effects.

Can water and related land resource development slow down and turn around the flow of people and economic opportunities out of the country? If it can, your work can help launch a rural renaissance that will help win the fight to save the cities. If the trend cannot be reversed the fight to restore our cities may never be really won.

I suggest that we help solve the problems of our cities by generating new opportunity in the countryside. How is flood plain management related to this policy of geographic balance of economic opportunity, of residence patterns, of location of industry, business and government installations? Can water and related land resource development make a contribution? What? How much?

It is now past the time that we should have begun to seriously consider and adopt national policies which quite literally will spread the future population among more areas, large and small, and promote a better balance between the city, the small town, and the countryside.

We must save the classic concept of the role of the city from being choked from self-strangulation from too many people packed up too close together. We need to save the city through an alternative process of creative urbanization that will utilize rural renaissance as the moving force.

The crux of the challenge is this: To provide the chance for the 200 million of us now here to lead decent, productive lives at the same time that we are preparing this land -- this society -- making the decisions that will enable 100 million more -- 25 or 30 years from now -- to live in less congestion, squalor, ugliness and time-consuming traffic jams -- than now.

The contribution of water and related land resource development to this great national need should be maximized and to the extent that it can contribute, these contributions to national welfare should be included in the total of direct project benefits shown for a project.

#### Eliminate Poverty

Most of you, I am sure, remember the examples of spurious correlation that we were exposed to in sophomore statistics courses. I'm often reminded of them when I note the close correlation between the geographic distribution of poverty in America and the geographic distribution of potential water resource development and of already developed water resource projects.

Just off hand, it almost looks as if water resources and development of water resources lead to poverty of people in the area. That, of course, is not true. But the geographic proximity of the situation does challenge us as water and related land resource planners to give greater thought to using land and water development projects to eliminate the complex inter-related causes of rural poverty.

Over half the poverty in America is in rural America; most of the major water developments are in rural areas. Can these projects be better designed to make a greater contribution to elimination of poverty and to alleviation of its symptoms and consequences?

With half of the Nation's poverty concentrated in the countryside the proportion of substandard homes is three times as great in rural America as in urban America. Schools in small towns and open countryside have less money to spend per pupil on education than big city schools.

My own feeling is that many water and related land resource development projects are making a greater contribution to the elimination of poverty than our courage and our rules and regulations have allowed us to take credit for. As you consider here the form and direction of your future work I hope you will focus some concerted attention to this important matter.

Certainly if we identify elimination of poverty as a top priority national goal, the beneficial effect of water and related land resource development in helping eliminate poverty should be fully recorded and taken account of in our cost-benefit formulas and calculations.

### Other Indirect and Secondary Benefits

We need also to give similar recognition to anti-pollution, to natural beauty and to outdoor recreation facilities and opportunities and all the other similar beneficial outputs of water development.

Certainly, within the context of a total systems approach to the quality of environment of man, we must give more adequate attention than we have given up to now to water quality. I am happy to note on your agenda an opportunity to cover this in the depth it deserves.

### Quality of Environment

We must, as water planners, learn to place our planning variables and calculations into context with a total systems approach to a high quality total environment for man.

The total environmental system, to which we must relate, includes, of course, not only the natural, physical, biological, and chemical but it also, and fully as importantly, includes man-made installations, institutions and population patterns -- the economic, the social and the cultural.

Many of those who are now talking about quality of environment are giving the term a too restricted definition; some of those that are talking about water pollution are giving it too narrow a focus. Too many of those whose thoughts are well centered upon the bacteriological and exotic chemical forms of water pollution have not given enough thought to sediment, to population impaction, to social and biological processes. And too many who have focused their attention upon pollution as such have not kept their perspective with respect to the continued need for attention to security of supply for an ever expanding population with a rising standard of living.



My aim here is not to present the total systems blueprint but rather to make a plea for all of us to raise our sights to a total systems approach that includes all the aims of society and all the relevant variables that are involved in a total systems approach to quality of man's environment in better communities of tomorrow.

#### Relation to Comprehensive Overall Area Planning

Water resources planners have brought smoothly operating cross-checking procedures to a highly honed and expertly practiced art. Your attainment in this respect is the glorious example, I am convinced, to which those of us who believe in Creative Federalism can point not only with pride but can also say to others with sincerity, go thou and do likewise. Your success is both stimulant and inspiration.

I commend you for the skillful and competent way in which you have devised your largely voluntary procedures to make certain that all bases **are touched, that all interests** are considered (not in the abstract but by checking out with all those whose interests are affected), and that all levels of government (local, State, Federal general purpose as well as special purpose districts) are consulted. You have created a system that needs to be emulated in other areas of planning and implementation.

Along with the need to incorporate all water development benefits at the first table, probably the greatest challenge that water planners now face is developing equally effective means to make their contribution to, and to make appropriate adjustments in their own operations to accommodate, comprehensive overall planning.

I realize that we have comprehensive outdoor recreation planning, comprehensive anti-poverty planning, comprehensive mental health planning and comprehensive education and manpower development planning. But if all these so-called comprehensive functional planning activities are going to make sense to the people of local areas and to the Nation, both in respect to each other and within the context of the national interest and welfare, all these comprehensive functional planning activities must be brought together and guided by comprehensive overall planning.

Comprehensive water development planning is no more competitive with comprehensive overall planning than comprehensive watershed planning is competitive with comprehensive river basin planning. What needs to be done is bring comprehensive overall planning into the same smooth working relationship with comprehensive water development planning as the latter has already been brought into smooth working relationship with comprehensive fish and wildlife planning, comprehensive watershed planning and comprehensive project planning.

I urge your fraternity to give high priority attention to this need to contribute to and participate in comprehensive overall planning by metropolitan regional and non-metropolitan district planning bodies and councils of government, representatives of constituent general-purpose governmental jurisdictions, and of State planning commissions.

Relative to this matter, I commend to your thoughtful study the pending legislation that provides a completely revised and greatly improved enabling act for comprehensive overall planning -- the proposed revision of Section 701 in the Housing and Urban Development Act of 1968,

National Interest Requires Courage

Water planners, in a real sense and as a general rule, have been shy and timid in claiming benefits of water developments. We have not done as well as we must in the national interest in getting right down to cases in measuring and setting forth the non-economic and more complex economic betterments that water development brings to helping the Nation to grow in ways that will help prevent population impaction, that will prevent strip city and suburban sprawl, that will provide an opportunity for a much higher proportion of our population to live where it would be best in the national welfare for our people to live and where they would like to live.

Water development can and will contribute greatly to building better communities of tomorrow with high quality environment and security of supply.

We need to modernize our benefit formulas so that our cost effectiveness ratios will guide the Nation to undertake needed and desirable development.

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## THE FRUITFUL AND DELIGHTSOME LAND

I am glad to see each of you here today -- for this "Open House" for the Massanutten Unit of the George Washington National Forest. This is not the usual open house. It is not to show a building, although we want you to see our small beginning. What we have now is not spectacular, except that which is provided by nature. The building could be better, and will be eventually. I think you will agree that the natural setting could not be improved anywhere on the face of the earth.

Rather, we have invited you to "Open House" for an idea. We want you to dream with us, to see with us, not merely that which is here today, but the exciting potential for tomorrow.

We are come to share with you the inauguration of a model -- the Outdoor Patterns for People program -- which we hope to see extended to other National Forests throughout the Nation.

Briefly, I would like to tell you our plans and the concept for the OUTDOOR PATTERNS FOR PEOPLE project.

Our aim is to provide additional opportunities for a variety of outdoor experiences to groups of people who might not otherwise encounter them -- while continuing to offer ample services and facilities for the usual family and individual use.

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Speech by Assistant Secretary of Agriculture John A. Baker at ceremonies launching the nationwide program of "Outdoor Patterns For People" at the new Massanutten Information Station, New Market Gap, Virginia, on the George Washington National Forest, September 21, 1968.

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We foresee the expansion of planned outdoor visitor activity programs on forest lands near large population centers. These will provide information, interpretation, and leadership toward more enjoyment and understanding of our natural environment. Expanded facilities are to be designed with special attention to the needs of school children, youth organizations, low income families, the elderly, and the handicapped.

Using the Massanutten as a model, current Forest Service activities in conservation education, recreation facility development, and visitor information services will be expanded in other selected National Forests accessible from large population centers.

And to enlarge our partnerships with others, our cooperative efforts will be expanded to reach out to State departments of education and school districts -- community groups, city, county, and State governments, other Federal agencies and conservation organizations. The aim of such efforts will be to: establish criteria for producing teacher materials, guides for ranger aids; the planning of teacher and group leader workshops, and other conservation education materials; and actual visits, work and participation by school children themselves in the activities of managing and enjoying our natural resources.

I would like to point out that in some communities citizens dig into their pockets to help buy land for purposes not much different from those we envision for the Massanutten mountains.

Here are 70,000 acres of superb woods and recreation land, already in public ownership -- already belonging to you and other citizens.



Within easy driving distance of six million people, it is a virtual jewel nestling in the incomparable setting of this magnificent Shenandoah Valley. Already looked after by the Forest Service, it awaits only the imagination and initiative of nearby communities and groups.

While the Department of Agriculture -- through the Forest Service -- hopes to lead and guide initially in some of the activities, we also wish to develop partnerships in every activity. We want the kind of development at Massanutten that will come only when it is shared by people who put their own minds and hands into the building.

There is room for cooperative projects with the Forest Service, as well as private concessionaire developments under special use permit. We want schools, colleges, and universities to take an active part here. The important thing is not what the Forest Service can do; it is what the people of this State and region working together can do here for themselves and their own people, and for the children of nearby rural and metropolitan families.

The welcome mat is out to you, to anyone, any group, with ideas that can be adapted and put into use. We will partner with any individual or group whose aim is the public good.

Where could we find a better place to pioneer a new concept? As I look across to the stone face of Waterfall Mountain, and the valley below, I can see the pioneers who first came here and tamed this land.

Indians once looked out over this valley and saw grazing elk, buffalo, and deer. There's an old Indian legend about the Shenandoah River: they said the river wanted so much to linger in this lovely valley that it refused to go in the usual direction, but flowed north and remained in the valley as long as it could -- one of the few rivers in North America that flows north. I am inclined to agree with the Shenandoah.

After the Indians, came the white man, to farm, mine ore from the mountains, and make pig iron. In Fort Valley, at the northern end of the range, you can still hear stories about the first settler, William Powell, who found silver in the mountains, and made counterfeit money that was more valuable than the money of King George.

As a young man, George Washington hunted and surveyed over this ground. There are still identifiable land corners that he made. It is said that he planned -- if defeated at Yorktown -- to fortify Fort Valley, a natural fort for those days made by the bowl in the Massanutten range. And right through this New Market Gap, on the ground where we now stand, came the marching armies of General Stonewall Jackson for one of his strategically and tactically brilliant surprise attacks in the Valley campaign of the War between the States.

Yes, this place is rich in history. The pioneers of the past helped to make us what we are, and to shape a young nation. Now it is our turn. Now, on this ground we -- you and I -- can still be pioneers, and help shape a Nation and its future -- in a creative conservation.

As we explore creative conservation, I would like to discuss briefly five aspects of it: Conservation as a National goal, conservation education, partnerships in conservation, the ecology of leisure, and the quality environment.

Conservation is a complex subject. To talk about it is to talk about everything. Because it touches nearly every aspect of human life on the earth. The Department of Agriculture has had a part in this issue for more than a half century. Now, there are scientists and scholars who say that the environmental issue may determine the survival of the human race; that human pollution could trigger an ecological disaster. So, in discussing it, we are talking about your life and my life, and that of our children and their children.

To say that environmental conservation should be a spelled-out National goal with far more emphasis placed on it is for me to say the obvious. But it is equally obvious that far too many people have little concern for the cause. It is like patriotism; everybody pays lip service to it, but too few are personally involved. Herein is a major aim of the "Outdoor Patterns For People" program: to achieve more personal involvement, particularly by urban young people, with an issue that is vital to us all.

We agreed in this country a long time ago to abide by majority rule. Abraham Lincoln, said, "Public sentiment is everything; with it nothing can fail, without it nothing can succeed."

Our job then as conservationists is to get more public sentiment behind conservation. We increase it a little with each person who becomes actively involved. When enough people are involved to care enough to communicate their desires -- it will not take long for the message to reach the leaders at the community, county, State and National levels. And we shall have a spelled-out National goal for creative conservation.

Everybody agrees that conservation should be taught in schools, but getting it into them has proved somewhat more difficult. The Forest Service has been actively pushing conservation education for many years, and we are making some progress. Many good local and some Statewide programs have been instituted in school systems. But the efforts are spotty, not well-coordinated, and nowhere near the Nationwide saturation point that is needed.

The need for conservation education in schools has grown out of a public need for better understanding of wise resource use and an environment free from pollution. With a growing population, combined with the desire for higher standards of living, the demand on natural resources and more open space constantly goes up.

There was a time when most of our people, even those living in cities, had grown up on farms and knew something about the outdoors. That time is long past.

Today, most Americans are one or two generations away from a rural setting; consequently, they have little understanding of the natural world and its importance in their lives. To protect the future of our country, and to make resources serve the needs of people, a strong and more pervasive conservation education program in the schools is essential.

We must reach more young people, and convince them that the natural world -- the inner space here on earth -- is fully as glamorous as all the pursuits into outer space. Looking at it as a laboratory, we expect to take some new steps toward this goal here on the Massanutten.

We believe and hope that this "Outdoor Patterns For People" project is fertile ground for all kinds of creative conservation partnerships. Greater cooperation among various groups and professions could be another forward step for the entire movement. Physical and biological scientists need to work together more with sociologists and political scientists to gain approval and acceptance of conservation measures.

We invite participation here by the students and teachers of our schools, colleges, and universities in this general area. I hope we can also begin to demonstrate that more partnerships in conservation is good for conservation, good for people, and good for the country.

Leisure is big business, and will get bigger. That which has been well-termed the "ecology of leisure" must be a part of creative conservation.



We still have to grow trees, prevent erosion, and do other basic conservation work, but to say that we have to grow trees and neglect the growth of people is a short-sighted policy. There's still room for both under a more intensified multiple-use concept. Providing constructive recreation may become the number one job conservationists face in the years immediately ahead. It has been estimated that a young person today will have 22 years more leisure time than his grandparents had. Much of this will come in blocks that permit longer trips or vacations. Nearly everyone will have more leisure than rich people do today. The "Time-Money-Travel Explosion" is upon us, and all the traditional conservationists can do is welcome it, adapt to it, and make it serve the more traditional objectives, which it can do.

Resource managers will have to take a new and innovative approach to the ecology of leisure. We must help city officials plan, design, and construct intensive use urban-based recreation facilities. There will be more golf courses, city parks, botanical and zoological gardens, playgrounds, community ponds, museums, lakes, nature trails and natural areas. Conservationists have much to contribute to this kind of recreation. We are still on the threshold. There's still room to pioneer. And what an opportunity to use the imagination to meet the changing tastes of recreationists! For the private entrepreneur there may be fortunes in it. For the resource agencies, we have the challenge of meeting and mastering the new ecology of leisure, while making resources serve people's needs.

Along with building and enhancing the ecology of leisure, we in conservation face an even bigger challenge and opportunity in creating and recreating a quality environment for all Americans. Our technology has polluted our water, air and landscape; but we are beginning to turn around now, and go in the other direction. Our technology, in the hands of imaginative people, is capable of depolluting, enhancing, cleaning up, and renovating that which has been despoiled. If we have the vision and the will.

A big job in this is the better-planned use of resources -- such as timber harvest -- so that minimal damage is done to the landscape, the air and water. If conservationists work with planners and developers, we can create green belts to screen in noise from highways and screen out unsightly disposal areas. Aesthetically desirable landscapes can be made through revegetation. Sick streams can be cured. Channels and streambanks can be stabilized to produce less sediment and better fishing. All this and more can be done -- when a public educated in conservation demands that it be done.

A quality environment cannot be achieved with 70 percent of the people living on less than 2% of our land in a few big supercities. New towns and cities -- additional space for people -- will have to be built in the countryside -- out where the space is -- out where new jobs and industry and opportunity will draw people from the packed, overcrowded cities, and keep them there because that is where the good life is.

To correct the population imbalance between rural and urban America will demand the best from all of us. When we have begun to do that in a fully meaningful way, we will have taken the first giant step toward creating a quality environment for all.

In all these goals I have discussed -- conservation education, conservation partnerships, the ecology of leisure, the quality environment -- we hope to take some pioneering steps here on the Massanutten Unit of the George Washington National Forest.

There is no more fitting place to pioneer. Our Nation had its beginnings not far from here, at Jamestown in 1607. Jamestown was chosen as the landing site because of its geographic location, a fine harbor, and because, according to Captain John Smith "Heaven and earth never agreed better to frame a place for man's habitation. Here are hills, plains, valleys, rivers and brooks, all running most pleasantly into a fair bay compassed about with fruitful and delightsome land." I think all will agree with me that after more than three centuries the land is still "fruitful and delightsome." It is our challenge in 1968 to make it even more fruitful for more people.

On the threshold of opportunities unknown to the past, let us pioneer the new creative conservation. Let us pioneer a philosophy of man living in harmony with his fellow man, and his environment. Let us not forget the purpose of conservation is man and the quality of his life. God gave us these mountains and trees. We are His stewards. Let us dedicate ourselves here today, while we launch OUTDOOR PATTERNS FOR PEOPLE to express our stewardship, to make our stewardship fully meaningful to all the people of our society.



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Outline of Remarks of Assistant Secretary John A. Baker  
TAP Training Workshops  
September - October 1968

1. Role of this series of workshops one of a total personnel development program.
2. TAP is successful.
3. To make our best better.
4. Needs for additional training.
5. Purpose of this workshop.
6. Other purposes handled by other means.
7. Subject matter of this workshop -- Outreach and TAP.
8. History of TAP.
9. Instructional and directional material.
10. TAP means on TAP not on TOP.
11. TAP has TOP priority.
12. TAP membership.
13. The outreach function.
14. Joint action by USDA agencies.
15. TAP responsibilities.
16. Relationship of TAP to planning and development groups.
17. Different kinds of planning and implementation.
18. TAP's differing roles in metropolitan than in non-metropolitan areas.
19. Special assistance to planning and development agencies of multi-jurisdictional non-metropolitan districts (Section 701 amendments).
20. TAPs and "New Towns."
21. TAP-CAP.
22. TAP work has supported a surging rural renaissance.
23. People are why we are concerned.



Introductory Remarks of Assistant Secretary John A. Baker  
at USDA Regional TAP In-Service Training Workshops  
September-October -- 1968

It is good to be here with you. This is a major USDA happening.

Knowing that you were selected to be here because you are among the Department's top performers with most promising long-term potential, I am reminded of one of former Secretary Brannan's favorite stories of the gentleman who entered his donkey in the Kentucky Derby. His owner thought the fine association would do the donkey some good.

I am pleased to be here with you. I know the association will do me good.

Role and Place of This Series of Personnel In-Service Training Workshops -- One of a Total Personnel Development Program

This is another in a continuing series of Departmentwide personnel in-service and training and education efforts in the general field of town and country development, rural-urban balance, rural areas development, and community and resource development. Over time the series has included:

- Seminars and bull sessions initiated by former Secretary Brannan twenty years ago;
- Training meetings and workshops under leadership of former Under Secretary Morse;
- Regional Land and People Meetings under leadership of Secretary Freeman;
- Chairman's Instructions;

-- Two series of Regional RAD Workshops in which Extension took the lead;

-- And the current three-pronged thrust:

1. CAP-TAP workshops - Wisconsin, Missouri, Tennessee, A&I College, Sunflower County, Mississippi;
2. In-depth seminars led by Economic Research Service;
3. This series of regional, state and district training meetings.

#### TAP Is Successful

Let me say first sincerely, truthfully and accurately.

You people and your fellow workers in the TAP structure have done quite well over the past 7½ years in carrying out a major, complex, intricate and sensitive undertaking. Hard figures and countless monuments from around the country show that your efforts have proven successful. I will return to this later. You have performed an extraordinarily difficult job in an extraordinarily competent, inspired and dedicated way, assuming the additional duty without additional manpower. It is a record of which you may be proud. We in the upper echelons are. Each year you have performed more miracles than the year before.

#### To Make Our Best Better

But we are not here primarily to praise you or ourselves but to learn ways to be more useful. We must learn ways to double the effectiveness of our work and to adopt still better operating methods to further improve the competence, unity and confidence with which we provide overall service to private and governmental leaders who are building town and country America. Our best has been good, but we must make our best even better.

### Need For Additional Training

We have found, as a result of our study of OIG audits and the TAP questionnaires, that among other important findings:

- there is some lack of thorough understanding of the reasons for and the purpose of TAP on the part of some TAP members;
- some county personnel are not getting enough information, supervision and direction from district, state and national personnel;
- there is not in each state a continuous TAP training program for the state, district and county TAP personnel.

And we also found an aggressive and enthusiastic attitude of accomplishment and a desire to learn and do more.

So we decided to hold this special series of in-service personnel training workshops to meet the needs expressed by you to OIG auditors, by questionnaires and other comments to agencies.

### Purposes of This Workshop

It is important for us to focus on the exact nature of the end products we hope to see result from this series.

Our end product is to set up and carry out training schools for county TAP personnel.

Another is to set up training schools, materials, methods and direction for district TAPs and district and area personnel, covering two functions: (1) the operation of district TAPs and, (2) the supervision of county TAPs.



A third is training for State personnel in their two functions: (1) to operate state TAPs and, (2) to supervise and train district and county TAPs.

So this is both

-- a personnel in-service training workshop for regional and state TAP members and

-- a teacher-training school for state teams that will develop further training for other state, district and county TAP members.

#### Other Purposes Handled By Other Means

It will be helpful if I also indicate what this training workshop is not.

This is not a policy making meeting. The policies we are here to learn to implement were first established years ago and have since been frequently refined, adjusted and reaffirmed by the people of the United States through their representatives at the highest level of democratic Government -- by Congress, by the three Secretaries of Agriculture and by four Presidents of the United States.

This is not a procedure-writing meeting. The relevant procedures were first written years ago and have been kept current. They are found in the President's Executive Orders, the Secretary's Memorandum, in Chairman's Instructions and in your regular agency instructional materials. A special effort has been made to keep them flexible enough so that your ways of doing things can be tailored to your local circumstances.

This is not a decision-making meeting. The decision to initiate a

rural renaissance was made many years ago by the people of rural America, Canada, Western Europe, Japan and a few of the developing nations. The programs we carry out are the appropriate response of democratic government by Congress, the President and the Secretary -- and that response began more than seven years ago. Those decisions directed you and others to make certain efforts, "outreach", over and beyond your routine duties.

This is not an educational meeting. Those have continuously taken place over the past years, with leadership from Extension Service and the Office of Personnel and most notably over the past year following adoption of the ECOP Report on Community Development and the excellent SED and SIMM sessions of OP. Likewise, we are setting out to initiate in the very near future a new series of in-depth seminars for in-service education on rural Community development under the leadership of Economic Research Service. Likewise, we plan to enrich the curricula of both SED and SIMM with personnel and community development content.

This is not a seminar on the community development process on the application of the total systems approach to the building of better rural and urban communities of tomorrow. It does not, for example, duplicate or substitute for either the excellent Extension-led workshops now underway or the projected ERS seminars.

Subject Matter of This Workshop -- Outreach and TAP

It is a workshop on the procedures, techniques and methods of outreach and TAP operation.

Outreach, as defined in Executive Order 11307 and related documents and TAP operating methods, organization, techniques, relationships, and functions are the subject matter of this series of workshops.

In the TAP context outreach means the job of making certain that all of the non-USDA programs of the Federal Government reach fully, conveniently and effectively into the farthest corners of rural America to facilitate community improvement and development. In this context outreach does not include the traditional, essential and continuing functions of Extension Service, state forestry agencies or any of the other organic programs of USDA and affiliated agencies.

We are not interested here in discussing, as such, methods of Extension education, how to conduct ACP or GPCP, watershed projects, housing and water and sewer loans, or management of national forests.

You are already educated and trained and experienced in those duties, probably better than any other government personnel in the world. You have your own excellent agency in-service personnel training schools to keep abreast of and to become better informed of organic agency programs.

But the broad concept of outreach and the specific techniques of community development have been outside the regular and in-service training that was available to us in the past.

TAP-outreach-development theory and practice may be an unfamiliar area to many.

So, we're interested, here, in learning (1) how to utilize TAPs in order to bring non-USDA programs effectively into both remote and nearby rural areas, and (2) how TAP members can work together jointly both to implement the outreach function and to facilitate community improvement and development, more than each of our programs could accomplish singly.

I realize that these basic purposes cannot be considered or attained without reference to substantive facts and insights.

As a source of reference I am appending to the printed draft of this keynote talk, a background statement containing some of the basic notions of area community development that may be useful in your deliberations.

#### History of TAP

I would expect that all of you already know the complete history of TAP but it will bear repeating.

As the Nation settled down after World War II, it became clear to alert observers that the need was building for a national policy of better balanced geographic distribution of people, jobs and economic opportunity. The matter was given serious consideration by a series of Department-level task forces headed up by the then Assistant Secretary Brannan.

It became apparent in the work of these task forces and later meetings of farm and rural people that the then existing programs of the Department of Agriculture were not sufficiently broad in scope to do what the American people wanted to have done in rural America to reverse the tide of out-migration and to revitalize the institutions, the economy and the culture of rural America.

This early work and the public discussion of it led to two significant innovations, a year or so later: (1) the enactment in 1949 of the first rural housing credit legislation and (2) the broad recognition that the Secretary of Agriculture should assume unusual responsibility to coordinate the entire Federal response to all rural needs.

In my memory this is symbolized by Senator Sparkman's invitation and President Truman's designation of Secretary Brannan to present a broadly-based statement to a special subcommittee of the Joint (Congressional) Committee on the Economic Report.

Later the same recognition and further progress were symbolized by the appointment of the then Under Secretary of Agriculture True D. Morse to head up a committee of the junior cabinet on rural development; and in the middle 1950's a pilot program was launched with Congressional backing.

As you know, Technical Action Panels were established in 1961 to provide broad professional support for the rural renaissance that was then gathering momentum.



It should also be noted that from the beginning and throughout the entire time, the uniquely valuable contribution of the Cooperative Extension Service has been recognized, and operating procedures have provided that the essentially independent, but cooperative role of organizational and educational leadership be assumed by Extension.

When we first set up the Technical Action Panels with their unprecedented organization structure, the then Director of the Bureau of the Budget, David Bell, characterized the move as a "stroke of organizational genius."

Since that time, Technical Action Panels have grown in service, in recognition and in competency. It has been an exceptional exercise in inter-agency cooperation within and beyond USDA. Several agencies supply one or more State TAP chairmen. In some states, one agency and in another state, another agency, supplies a majority or a large minority of district and county chairmen. The membership of the Executive Committee varies and is highly competent from both the professional and the organizational aspects.

No organization chartist in his right mind, of course, would have approved what we did. Yet, it has worked and has worked outstandingly well. Its unique structure has, of course, caused difficulties but it has also brought about a high degree of hybrid vigor and inter-agency thrust that is without precedent in the over 100-year history of USDA.

It has worked, also, because of the dedication, the great competency and the deep spirit of public service that characterizes the employees of USDA.

Broadened recognition of the need for an over-all Federal response, specifically coordinated by the Secretary of Agriculture, took place with the issuance of an Executive Order by President Eisenhower, later by the still more specific Executive Order 11122 by President Kennedy and later the issuance of the still stronger and more specific Executive Order 11307 by President Johnson.

The concept of TAPs and the TAP structure have enjoyed increasing support and recognition by Congress, by other Federal and State agencies and by the general public and their efforts have met with increasing success.

Instructional and Directional Material

At this workshop, you should direct your attention to

- Executive Order 11307 (a revision of an earlier Executive Order)
- Secretary's Memorandum 1610
- Chairman's Instruction 67-55 (a revision of earlier TAP instructions) and its supplements on (1) regional TAPs, (2) on membership minority people on TAPs, (3) on workload measurement and time spent on TAP reports and (4) on membership of home economists on TAPs. (The latter is a revision and up-dating an earlier instruction on home economists in TAP.)
- The series of other Chairman's Instructions that deal with various individual field outreach efforts.

These instructional materials include various guidelines and, explicitly and implicitly, guiding principles, of which you should be fully aware.

I would like to discuss some of these with you now.

TAP Means on TAP Not on TOP

TAP membership is made up largely of Federal, State and local government employees.

The role of the government employees in town and country development is symbolized by the name itself -- Technical Action Panels -- the initials of which -- T.A.P. -- were chosen deliberately to spell TAP, signifying that we are to be on tap to serve the local governments and people, not on top, to dictate their decisions or to direct them concerning what they "ought" to do.

A great former Under Secretary of Agriculture, M. L. Wilson, of Montana, said:

"The role and responsibility of the scientists, experts, technicians and program people of the Department of Agriculture is to be on TAP to help rural people take wise and vigorous action designed to attain their aspiration and to be on TAP to provide the scientific knowledge and insight to enable rural people to make wise decisions, not to be on TOP in the decision-making process."

That is the spirit and the purpose of the Department's Technical Action Panels.

Your job as TAPs is to help rural people do what they want to do, neither telling them what they ought to do, nor what they have to do, nor how they "ought" to do it.

Government workers do well to bear in mind their relationship to the citizenry and the policy-making process in a responsive democracy which is a form of government where people do and should participate in making the decisions and do and should exercise quite detailed ballot control and direction over the personnel and actions of local, State and Federal employees and agencies.

#### TAP Has TOP Priority

All of you are aware, I am sure, TAP duties have now been specified in your official job descriptions. Consideration of TAP responsibilities is being incorporated in position classification criteria. As you know, TAP activities are a major subject of OIG routine and special audits. Moreover, a special work measurement and time-spent reporting system has been developed and put into operation with respect to TAP activity and hours spent so that TAP workload can be considered in personnel budget and personnel ceiling allocations to different agencies and other organizational units.

All of this is done in recognition of the Secretary's directive that responsibility of conduct of TAP activities and outreach shall have first priority on the use of your time and effort.

#### TAP Membership

You are already familiar with the TAP membership provided in Chairman's Instruction 67-55.

But I would like to emphasize two points in that connection.

1. Executive Order 11307 (and its parallel Order 11306 giving similar Presidential instruction to the Secretary of Housing

and Urban Development) are sometimes called the "Convenor Orders" in recognition of the authority it delegates to the Secretary of Agriculture to convene meetings of any and all Federal employees, of whatever agency or Department, as may be required to solve a problem of agricultural or rural areas development. This convening authority is delegated to regional, state, district and county TAPs by Secretary's Memorandum 1610 and Chairman's Instruction 67-55. Regional, state, district and county TAPs are thus authorized and directed to invite representatives of all relevant Federal agencies to participate and become members.

2. Chairman's Instruction 67-55 also authorizes and directs regional, state, district and county TAPs to invite the participation and membership of representatives of State and local governmental agencies and of private technical and professional specialists who might have a professional or technical contribution to make.

There has been some confusion on this matter of membership of TAPs. I want to make it crystal clear that TAP membership and participation are not restricted to USDA employees but should include a broad spectrum of other Federal, State and local governmental agencies and other technical experts where available and desirable.



### The Outreach Function

It will be helpful now if we develop a clear and common understanding of "Outreach," which is carried out in Washington by RCDS, and in the field by TAPs, under the leadership of Farmers Home Administration.

To give you a sense of the role of TAPs in the total job, here is a step by step narrative of how the outreach function operates:

1. Outreach is the work people in USDA undertake to help non-USDA agencies to make available to rural America all of their relevant programs. Please keep in mind that many Federal agencies do not have county and district offices as does the USDA.

2. Outreach, properly conducted, is a two-way street. The information on needs in rural areas for programs that are not in effective operation that TAPs report to Washington is even more important than the work performed and directives written by Washington and sent to the TAPs, except as the latter benefit from and incorporate the former.

3. The first and most important step in "outreach" is the discovery and reporting of specific failures of Federal programs to be of full service to town and country development. This provides the raw material and basis upon which the outreach system operates.

4. Reports of inadequacies from the field are buttressed by systematic survey and analysis work in Washington to determine:

a. Which Federal programs, outside USDA, would be particularly useful to town and country development. These have been listed and described. The most important ones -- about 90 of them -- have been studied intensively and placed in a special looseleaf notebook -- a copy of which each of you and all county offices should now have.

5. A systematic effort is then made for each of these important non-USDA Federal programs to determine if it is reaching adequately, effectively, conveniently and in balanced volume into town and country America. I have a complete list and evaluation of these on the bulletin board in my office.

6. Where we find that such a program is being made available in town and country America as it should be, we note the fact and the Secretary of Agriculture sends a letter of commendation to the appropriate one of his Cabinet colleagues.

7. Where we find that such a program is not adequately being made available in town and country America, we engage the appropriate Department in dialogue and negotiation to find out why not.

8. Often we find that the inadequacy can be corrected relatively easily by needed changes in organization, procedure or emphasis by the administering agency. If so, we prevail upon the appropriate authorities to make the needed changes, including requests for new or amended legislation.

9. Sometimes we find that the needed changes cannot be fully accomplished by the administering agency. In these cases, we offer the services of the people and the facilities of the USDA to provide the needed delivery system into town and country America.

(Steps 4 through 9 are carried out by RCDS, supported by PEP staff, ERS, and the Office of Budget and Finance, utilizing the Secretary's convenor authority under Executive Order 11307. Administrator Matthews will discuss them more fully with you later on the agenda.)

10. Where the field offices of USDA are needed to augment the delivery system of non-USDA programs, RCDS, other USDA agencies and the non-USDA agency sit down together to undertake the development of a written or oral, formal or informal, interdepartmental agreement to utilize our USDA efforts to bring the non-USDA program to town and country in a manner to be most fully useful. This takes various forms according to the needs and nature of the program and problem involved:

- Simple effort to help inform the public, such as we undertook with respect to Medicare and Stamp Plan;
- Determination of interest of possible applicants, such as we have undertaken with respect to recruitment for the Job Corps and the summer youth programs;
- Formal interagency agreement for joint operations such as we have with HUD, Commerce, and Interior for water and waste disposal systems, and with several Departments in the CAMPS program, the Concerted Services Program and for Medical Services; and

-- Actual assumption by a USDA agency of part or all of the administrative job in town and country as Extension and Farmers Home have done for several OEO programs, as FHA has done for several of the loan programs of SBA, and as the legislative history specifies shall be done by FHA with respect to the new subsidized-interest guaranteed housing loan program provided in the newly-enacted Housing and Urban Development Act.

11. Each arrangement for outreach, whatever it might be for each different program, is then incorporated into a Chairman's Instruction and you people, the members of regional, state, district, and county TAPs, take over. Hopefully in each one -- and believe it or not we give priority attention to this -- the guidelines are flexible enough to enable each TAP to obtain the desired results in a manner that will be most harmonious and useful in its area.

12. The final step in the outreach process is the same as the first -- regional, state, district and local TAPs report back to me in my capacity as Chairman of the RAD Board, through channels, evaluating the results and suggesting needed changes and improvements to better serve town and country America. (As you know knowledge gained from TAP reports is augmented by OIG audit reports, periodic TAP surveys, and special PEP staff and ERS studies.)

13. When I receive the field suggestions from regional, state district and county TAPs and other sources, I turn them over to RCDS, with the support of the PEP staff, ERS and the office of Budget and Finance, for a Department-wide evaluation and for reopening of negotiation and dialogue with the non-USDA agency involved.

14. Needed changes when agreed upon are incorporated in revisions of Chairman's Instructions and the system starts over.

As you can see, regional, state, district, and county TAPs are an encompassing USDA responsibility in which Farmers Home has been assigned the leadership role that operates in much the same fashion as the leadership role assigned to ASCS for ACP, and to SCS for river basin investigation.

TAPs have a doubly important duty in outreach.

- a. To implement outreach arrangements that have been negotiated and promulgated in Chairman's Instructions; and
- b. Fully as important, to maintain a continuous evaluation of what's going on and the results we're getting in helping the citizens of rural America to carry out a successful rural renaissance -- so you can get back to me the proper signals so that we can obtain the needed improvements in relevant programs.

#### Joint Action by USDA Agencies

Another aspect of TAP responsibility relates to joint action to get a USDA job done that does not fall completely within the cognizance of a single USDA agency.



One of these is the work you have undertaken in connection with the food distribution programs.

Another is the special effort you made to develop a package of special programs for small farmers. (Incidentally the Secretary wants me to thank all of you for the effort and energy you spent on this project. You should know, if you don't already, that many of your recommendations have resulted in improvements in the FHA, ASCS and SCS programs, in legislative proposals sent to Congress by the President, some of which have already been enacted into law, and you will be hearing adoption of others of them in the months and years immediately ahead.)

Still another is the effort some of you have underway in holding meetings with poor farmers to discuss the potentialities of forming cooperatives to improve their incomes. Ordinarily, I would have asked Extension Service to cooperate with Farmer Cooperative Service in undertaking this activity. However, in this case Extension leaders requested that their role be exercised within the framework of Technical Action Panels of which Extension people are valuable members or participants.

Still another TAP undertaking that involves joint action by several USDA agencies is the activity upon which you are just now starting; the exploration of vegetable, fruit and horticultural specialties as a potential source of increased income for extremely low income farmers. In this case, Extension Service, in each applicable county, will make the initial feasibility study in a local area, including an evaluation of the fairness of processor and purchaser contracts, and the results of the study will be reviewed by the Technical Action Panel, before the new horticultural program for low income farmers is launched.

### TAP Responsibilities

This recitation of the flowchart of the Outreach function makes it possible to identify and specify one set of the specific responsibilities of TAPs in this system. They are:

- Reporting through channels the evidence and indication that aspirations, felt-needs, and expressed demands for rural community planning and development are not being fully, adequately, conveniently, efficiently and effectively met by Federal programs as they are operating in town and country.
- Participation as indicated, in specific organized outreach projects developed in inter-agency negotiation covered in individual Chairman's Instructions.
- Doing other needed outreach activity that is identified and arranged for locally. (Successful and unsuccessful efforts of this kind should be reported through channels so that we can follow up.)
- Trouble shooting and facilitating the processing and approval of rural applications for non-USDA services and assistance not taken care of by above activities.

The other responsibilities of TAPs are less specific, less formal, but fully as important that is to do whatever needs to be done outside our regular programs to help local governments, groups and people to attain their community development aspirations.

May I add TAP is neither a functional nor an overall comprehensive planning agency nor is it a program operating agency. TAP exists to help other agencies do what they ought to do and to do it with greater benefit to rural community development and to be of maximum competent assistance to people and institutions in town and country who are trying to better themselves.

Relationship of TAP to Planning and Development Groups

Your TAP questionnaire returns reported to us the existence of an even larger number than we had previously supposed of public and private planning and development groups, in addition to official planning agencies and in addition to the various Rural Areas Development committees, by whatever name, for which cooperative Extension assumed organizational leadership at the outset of the rural community development effort.

In the attached background statement I have indicated the great importance we have placed upon group action and working with groups and upon the necessary involvement of private citizens of all walks and stations in life -- the actual engagement of people of all ranks in the making of governmental decisions -- a principle that we have tried to follow in USDA for a long time.

While Cooperative Extension Services bear the responsibility for organizational and educational leadership with all such groups, TAPs are responsible to provide all needed technical assistance including outreach of non-USDA programs, that are desired, needed and useful to such groups.

You should be working with small single purpose functional organizations and groups as well as large formalized private and governmental agencies dedicated to overall comprehensive planning and development.

You should not be overwhelmed by the number of these development organizations, groups and agencies.

Be on TAP for all and each of them in appropriate ways.

But I do want to mention particularly three specific ones to which you should give first priority in establishing good rapport and in providing to them your outstandingly competent technical assistance.

- State overall comprehensive planning agencies, by whatever name and of whatever organizational structure;
- District and county overall comprehensive planning agencies, by whatever name they are known, and, where appropriate, to municipality, city, town, village and neighborhood official planning agencies;
- Rural areas development committees, by whatever name they are known in your state or part of a state where they prove useful.

#### Different Kinds of Planning and Implementation

In this connection I would like to leave with you two notions on development planning taxonomy that I think may be useful to you in trying to think through your responsibilities as members of TAP and as employees of specific agencies.

One of these relates to the spatial or geographic aspect of planning - the geographic area covered.

In this regard you will find it useful I think to recognize the separate but interrelated categories of:

- human neighborhood planning and organization groups within larger localities, municipalities and communities;
- locality planning and development (villages, towns, cities);
- county planning and development;
- community planning and development (the coordinated joint mutual efforts of several neighborhoods, localities, municipalities, and counties within a state or across state lines);
- state planning;
- interstate regional planning and development.

The other relates to the various degrees of the scope of concerns to which planning is directed:

- blueprint planning for individual installations, structures or single activities;
- project planning for an identifiable specific coordinated system of installations, structures and activities (such as watershed projects, rental and cooperative self-help housing projects, a ski development, or recreational complex);
- functional planning and development (such as comprehensive river basin planning, comprehensive statewide outdoor recreation, mental health, manpower development and utilization and water and sewer planning, overall economic development plans, anti-poverty



war plans, rural renewal projects, RC&D projects, soil and water conservation districts, etc., of which there are a very large number, many of them financially assisted with State and Federal funds);

-- and at the coordinating top of the pyramid, truly overall comprehensive area planning and development (such as that which State planning agencies and the new district planning legislation will provide that develops the overall framework and relationships of the needed functional, project and blueprint planning and development).

The TAP organizational structure observes and adjusts to the geographic pattern of overall planning organization mentioned first above by establishing a corresponding geographic structure.

Each TAP (regional, state, district and county) is concerned with and is to be as helpful as possible to all types of planning mentioned second above, but will find its greatest usefulness in relation to overall comprehensive areawide planning and development. Our technical and financial assistance to fundamental, project and blueprint planning usually are accomplished as part of agency programs and missions.

TAP's Differing Roles in Non-Metropolitan and in Metropolitan Areas

Another point to which I wish to invite your particular attention is the difference between what TAPs do in metropolitan areas and what they do in non-metropolitan areas.

Counties and multi-county districts, areas or communities are either of two kinds according to the size of the major city or cities -- metropolitan or non-metropolitan.

The role and responsibility of TAP is different in these two situations.

Under both Executive Orders 11306 and 11307 and in the new 701 planning legislation, the primary responsibility for overall comprehensive planning and development in a metropolitan area, county or locality rests with the Department of Housing and Urban Development. In such areas the responsibility of the Department of Agriculture and TAPs is to assist people, organizations and government in such rural parts as may be located within the boundaries of a metropolitan area, to make their major contribution and get their needs and aspirations fully considered in the overall comprehensive metropolitan area planning and development activity.

In non-metropolitan counties (even those located within the boundaries of a metropolitan area) and in non-metropolitan districts the primary responsibility for technical assistance to overall comprehensive planning and development rests directly upon the Department of Agriculture and the TAPs (within Appalachia and economic development districts this responsibility is shared with the Department of Commerce).

A TAP in a metropolitan area or county has a different job requiring different methods of operation than a TAP in a non-metropolitan district or county.

State TAPs, which have a responsibility for guiding county and district TAPs in both kinds of situations, need to be alert and sensitive to this distinction so that differentiated rather than uniform directives, supervisory guidance and educational activities will be tailored to the need.

My own field observation has indicated outstandingly good recognition of the distinction between how to operate in metropolitan as different from non-metropolitan situations in some places (to mention a couple, Los Angeles County and the Schenectady, New York 4-county metropolitan area). But I have also observed some colossal examples of confusion, frustration and less-than-effective operation when the distinction was not recognized and accounted for. (The latter can remain unidentified.)

I hope this workshop will give particular, detailed attention to this important distinction. I hope before you go home you will have identified one set of operating techniques for use in metropolitan areas and counties in your State and a different specific set of operating techniques for use in your non-metropolitan districts and counties.

Special Assistance to Planning and Development Agencies of  
Multi-jurisdictional Non-metropolitan Areas (Section 701 as Amended)

Now I bring to your attention a new responsibility of TAP to which I know you are alert but on which you have not yet been released for all out action -- rural community district planning and development under the amended and improvised Section 701 of the newly enacted Housing and Urban Development Act of 1968.

As all of you know, our experiences in town and country development efforts over the first years revealed that two of the greatest gaps in the required machinery for planning and development were the relative absence of any machinery for inter-county cooperation and the relative lack of availability to rural governments and private rural areas development committees of permanent professional planning personnel under their own control that is required for overall comprehensive sophisticated planning and development.

In our own ways we have tried to make up for those needs in rural America through extra service of Extension Service and Technical Action Panels. We have never been able, and we knew we would not ever be able fully to meet these needs.

As responsive democratic government should, these needs have now been met by enactment of improving amendments in Section 701 of the newly-enacted Housing and Urban Development Act of 1968.

The new law provides that the Department of Agriculture will undertake important responsibilities. These are of two kinds:

- those relating to the developing, processing and approval of applications for planning and development grants through State Planning Agencies (these are for two-thirds of the cost and in some cases up to 85 percent of the cost, of needed permanent professional staff and consultants), to undertake truly comprehensive overall multi-jurisdictional planning and development under direction of democratically elected officials of duly constituted local general governments;

-- those involved in providing educational and technical assistance to the multi-county planning and development agencies in organization and operation. (It is expected that such agencies will have governing boards composed of a majority of elected officials of general governments and of lay citizens and private group representatives, including the rural poor.)

The three departments most directly involved are now engaged in developing guidelines and procedural material -- USDA, HUD, and Commerce -- and our proposals are being checked with OEO and with the broad spectrum of private and governmental groups represented in the Town and Country Alliance and the Advisory Commission in Intergovernmental Relations. This process has not been completed but I did want to alert you to it.

Extension, Forest Service, ASCS, ERS, SCS and Farmers Home Administration, under leadership of FHA through TAPs, will have important roles to play in the implementation of this significantly valuable new legislation.

Implementation of the new legislation will both relieve TAPs of some of your extra duty responsibilities and it will also render a great deal more effective and lasting the efforts that you make.

On one thing, all four Departments involved (USDA, HUD, Commerce, and OEO) and all the non-federal governmental and private groups involved are agreed and determined. There shall be one and only one district planning and development program, not 3, 6 or 10.



TAPs and "New Towns"

Another provision of the newly-enacted Housing & Urban Development Act of 1968 provides a particularly intriguing and exciting challenge to TAPs.

This is the provision for a guaranteed line of credit and technical assistance to the development of "new towns" in rural areas. By inter-departmental understanding and legislative history, "new towns" are defined to include revitalization and expansion of historic, existing, "old towns," villages, and small cities.

Instructions implementing the new legislation have not yet been issued by HUD, but Assistant Secretary Haar has asked me to utilize our services and personnel to help discover and process applications in rural areas for the new towns programs.

Deputy Assistant Secretary of Agriculture Edwards and Frank Pollard of RCDS are working actively on this now. If any of you know of a potential developer, or of a town or village, that would like to qualify, please let me know through channels.

We feel that the "new towns" approach may be an exciting and effective way of implementing a new national policy of freedom of choice for people of where to live with a better balanced geographic distribution of people and space, jobs and economic opportunity. Working with HUD on the "new towns" program will really be an outreach project of exciting proportions and prospects.

TAP-CAP

I know that most of your District and County TAPs are working harmoniously with the various activities and organizations of the OEO.

It is very important that you do so.

Since the very beginning, a major purpose of the rural areas development program has been to eradicate the complex interrelated causes of rural poverty and to alleviate its symptoms. Nearly half of all the poverty in the United States is in rural areas, in spite of relatively greater anti-poverty gains in rural than in urban areas over the past 7 years.

Through our outreach efforts we must make as certain as we can that fully half of the Nation's anti-poverty effort is made available to rural areas. The Economic Opportunity Act in numerous provisions speaks specifically and particularly to that end.

You are, of course, administering some of the Economic Opportunity Act programs. VISTA volunteers have augmented your efforts. Many of you have assumed leadership in many imaginative projects like Green Thumb, Main Stream and the Youth Opportunity Corps and Neighborhood Youth Corps to assist young and old to get out of poverty while making major contributions to resource development and other public services.

I would like to mention particularly our TAP-CAP relationship. First, I hope you have already invited the CAP Director or his representative to participate in TAP and that he is already doing so. I hope that some of you are serving as advisors or technical consultants to CAP organizations. I hope also that you are planning local joint workshops and other activities.

I hope and expect that TAP and CAP are working harmoniously, cooperatively and aggressively together.

I want you to know that we in Washington have close cooperative working relationships with the top officials of OEO. We have found them cooperative, communicative and willing. Director Hardin and Deputy Director Perrin desire that OEO programs shall meet rural needs in a realistic and workable way. The new law provided, and there has now been appointed, a new Assistant Director for Rural Affairs in OEO, Jim Templeton. He has asked that I report to him any case that comes to my attention where CAP operations or other OEO activities are being operated contrary to our joint understandings.

Likewise with specific relationship to CAP, it is the agreed objective of Ted Berry, Assistant OEO Director for CAP, and me that our TAP-CAP people work closely and cooperatively together. We are agreed that he will bring to my attention any instance in which that is not the case, and that I will bring to his attention any instances you report to me where good working relationships are not present.

I am proud to report to you that Ted Berry has not found it necessary to bring one single case of your misbehavior to my attention, and that the three cases I have found it necessary to bring to his attention have been straightened out within a matter of a few days.

This is the way it should be, the way we should work together in mutual trust and cooperation to attain the common objective of eliminating poverty from rural America.

As far as I am aware, all local CAP organizations are now somewhat of an arm of the local general government jurisdictions, endorsed by them, and working in harmony with them, as a sort of anti-poverty functional planning and action branch of local and district overall comprehensive planning agencies or boards. We should give them every support and invite their participation and contribution to our TAP activities. Under the convenor order, Executive Order 11307, you are entitled to ask them to participate in TAPs. Please let me know of those cases where they refuse and we will follow up on them.

TAP Work Has Supported A Surging Rural Renaissance

One aim of RAD, with which TAPs have been closely identified, has been to reverse the trend of outmigration of people from rural areas.

You have almost, but not quite, done so. You have helped to reduce the outflow from nearly a million a year at its height in the Fifties to less than a quarter of a million a year during the Sixties, at latest reconing by the Bureau of the Census.

Another aim was to start cash registers on Main Street to begin ringing more often and more merrily by raising farm income and bringing new economic enterprises and jobs into rural areas.

On this, too, you have contributed to a modest, but significant, attainment:

-- farm income is significantly higher;

- in these immediately past years of the 1960's, the smaller the place the larger the rate of increase in the number of new plant locations (as contrasted with the 1950's when the smaller the place the lower the rate of growth);
- rural industrialization has not only speeded but found a new high place in national prestige;
- during the 1960's the rate of increase in new jobs is progressively larger the smaller the place (as contrasted with the 1950's when the rate of increase in number of new jobs was greater in large cities than in small cities, towns, and villages);
- public and private investment in natural resource development, preservation, restoration and use (conservation) has been greatly increased, as has attention to scenic beauty, historical and archeological features, and private and public outdoor recreation facilities;
- great strides have been made in increased public and private investments in better schools, manpower development and training, water and sewer systems, community and neighborhood centers, rural electric and telephone systems, improved highways and roads, and other social infrastructures needed for vibrant, beautiful and prosperous growing rural communities;



-- National attention, effort and resources have grown, putting into place in rural America an overall planning and development capability that did not exist as little as seven years ago, when TAPs were organized and Extension expanded its organization and educational efforts to nationwide operation.

You and I have been privileged to participate in a great folk movement by which our society is moving up from one stage of civilization to a higher one. And in the TAPs all of you have made a major contribution to that effort and these results by making your very great professional and technical competence, your vision and imagination, your systematic and thorough methods of work and thought available to local governments, groups and citizens.

There are probably matters I have not covered that seem as important or troublesome to you as those I have covered in this keynote talk and the attached background statement. If there are, I hope you will raise them in the discussion periods that follow.

May I also say that I am constantly and painfully reminded that all knowledge and insight does not reside in Washington officials no matter how exalted their position.

We will continue to invite and appreciate your suggestions for change and improvement even as we expect you to follow our directives until they are changed. This workshop is no exception.

Thank you for coming to this workshop. But more importantly, thank you for the great work you have done often with personal sacrifice to bring success to the critically important work of Technical Action Panels.

I know that you share the enthusiasm I feel for TAPs. I know your imagination is challenged by the opportunity TAPs hold, not only for you and the USDA, but for the States where you live and work, and for the Nation.

I know you accept in good faith, the challenge and opportunity offered in TAP, that you realize that you have in your hands the tools and the power to help America make major changes that the building of better communities of tomorrow requires.

This point was well made last fall by an SCS conservationist whom I have heard quoted on saying, "The TAP concept has, and must increasingly become a way of life.... The President has ordered it.... The Secretary has directed it.... And common sense demands it...." I was also struck by the similarity that a Mid-west TV and radio reporter sees between TAP and its significance as a TAP root of rural renaissance.

#### People and Why We Are Concerned

The purpose in view of community development in rural areas is to enable rural Americans and indeed all Americans to step up to the higher plane of a new era of history by solving rural problems and thereby helping to solve city problems.

Our people are surging toward a rural renaissance -- unwilling to accept rural decline as inevitable -- striving to move into the new age of history whose abundance has put a new kind of creative living well within the threshold of probability.

The developed democratic nations of the world are thrusting into a rural renaissance of creative living because their peoples demand it. To move with the grain of history, when it is moving in the right direction, is certainly more constructive than moving against it.

As we join the move of the nations to a new and higher plane of civilized living, we must in all our thinking and working professionally and personally bear always in mind that at center stage, with a hopeful look on his face, is the individual human being.

Truly, each person has a unique worth that makes all our efforts worthwhile.

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RURAL AREAS DEVELOPMENT IN THE UNITED STATES--ITS COORDINATION AND DIRECTION G&B:ASF

It is indeed a pleasure to be here, to learn what you in Western Europe are doing to extend the benefits of our new-found age of abundance to rural areas.

This meeting was a long time in coming. From time to time, the various Nations represented here have exchanged ideas on specific problem areas, such as our mountain regions. But this is the first time we have met jointly to discuss the full scope of our common problem--the paradox of rural decline in the face of increasing agricultural efficiency and growing national prosperity.

Over the years, some of the most significant actions of history developed from the exchange of ideas across national boundaries. When we trade ideas we both gain the joint total. This opens new and exciting avenues of thought.

Among the documents of this Seminar is a background paper I have submitted on Rural Areas Development efforts in the United States. I shall not duplicate in this brief talk the matter covered in the background paper. Rather I shall here supplement the background paper to expand somewhat on some of the newer RAD tools included in most recently adopted legislation.

Increased Productivity Means Fewer Farm Jobs

Scientific and technological advances have brought tremendous increases in agricultural productivity throughout Western Europe, North America and parts of the Far East. In the United States, production per man-hour in agriculture has increased 77 percent in the last decade. One farm worker now supplies 29 people, while he fed and helped clothe only 10 people in 1940.

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Talk by John A. Baker, Assistant Secretary, United States Department of Agriculture, at the European-North American Seminar on Regional Rural Development Programs, Organization for Economic Cooperation and Development (OECD), Paris, France, October 14-18, 1963.

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This increased efficiency has drastically reduced the need for farm labor. Since 1950, more than three million agricultural jobs have been eliminated by mechanization and advanced technology. Young people in rural communities have been forced to go to our cities in search of work.

This loss of income and people has had a numbing effect on the farm-centered economy of rural towns and small cities. They have stood still while urban areas have forged ahead to a new level of abundance.

As a result, the economic gap between our rural and urban societies has reached alarming proportions. This disparity manifests itself in all phases of life--income levels--in job opportunities--in water, sewer and other community services--in educational opportunities--in transportation and medical facilities.

#### RAD Begun

To stop this downward trend, and to enable rural areas of the United States to share in the national prosperity to which they have contributed so much, a great, nationwide Rural Areas Development was begun. We call it RAD, for short.

More than two-thirds of the Nation's 3,072 counties now have active RAD Committees. These RAD Committees are composed of more than 66,000 local people. They are the ones who direct the RAD program. We in the Federal government supply technical advice, and in some cases, financial help. But it is the local citizens who decide what is to be done--what individual projects will be carried out, and what timetable will be followed. I know of one Committee of volunteer members that has been meeting an average of 50 hours a week for several years, trying to push through its program of economic development.

The greatest difference between our RAD program and your redevelopment efforts here in Europe appear to lie in this area. RAD is largely in the hands of local, private citizens, while here in Europe you have a greater degree of centralization.

Both approaches, of course, have their strong points and their weaknesses.

If local people who will be involved in a project put their time and money into it, you can be assured they will work harder to make it a success. But we do not have the element of direct action which permits you to pump new life into lagging area programs. For example, I am told that the French government picked up an entire automobile factory in Paris and moved it to a low-income rural area to create new economic opportunity. This the United States government would not do.

In response to the aspirations and needs of rural people and their private organizations and local governments, the Federal Congress and Federal executive branch have greatly strengthened the RAD program.

The background statement has given you a detailed list of Federal programs that are utilized in RAD. I like to think of these programs as a cafeteria line. Local RAD Committees can move down this line, selecting Federal activities that can help them in carrying out their RAD program. Allow me now to give you the recipe content of some of the newer additions to this cafeteria menu list.

When Congress passed the Food and Agriculture Act of 1962, it enabled Secretary of Agriculture Orville L. Freeman to broaden and revitalize the entire system of Department services to the nationwide RAD effort.

Five new Federally-provided development tools were added to the RAD work kit.

### Rural Renewal

One of the most promising new tools is the rural renewal project.

In some respects, rural renewal projects will be similar to the urban renewal projects that are clearing the slums and rebuilding the downtown core of many American cities. Tax bases are being expanded while slums are being eliminated.

Local people who want rural renewal projects form a legal subdivision of the State government to cooperate with us in these projects. I am happy to report that my home State of Arkansas was the first to pass specific enabling legislation for the use of local people who want to organize Rural Renewal Authorities.

In addition to the regular Federal assistance available to any RAD area, local Rural Renewal Authorities will be eligible for special assistance.

The Department will assign a full-time project leader to the rural renewal area, to help local people develop activities that revitalize the area. Local Rural Renewal Authorities also will be eligible for special loans, to carry out land use adjustments and other improvements that cannot be financed through existing Federal loan programs. These loans will be at the cost of money to the Federal government, currently somewhat less than three percent, with the start of repayment deferred for five years.

Project leaders already have been designated to serve in six areas where local people have requested rural renewal projects.

Perhaps I could best describe the scope of these projects by telling you some of the things local people hope to do under this approach. In one State, local people plan to purchase idle farm land for subdivision and re-sale as

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USDA 3048-63

vacation sites, to develop a public recreation area in cooperation with a sportsman's club, to develop municipal water supplies for two small towns, to purchase land for small retirement farms, to develop commercial and industrial facilities for processing limestone deposits in the area, and to carry out a timber stand improvement program.

Proposals in other States include these features, plus the establishment of senior citizens housing, the building of roads for improved transportation, and the purchase of small tracts of land to be re-sold as efficient-sized family farming units.

Some of these projects will be financed through existing programs. Some which are planned with rural renewal funds may not be feasible, or they may be ineligible under the 1962 Act. Attorneys are still studying the legislation to determine the exact manner in which this new loan program can be most useful.

#### C-And-D Projects

The 1962 law also authorized the inauguration of a program of Resource Conservation and Development projects.

These projects will enable farmers, city people, rural communities and private organizations to work together in formally-organized cooperating groups to improve land use patterns and to develop the natural resources of rural areas.

Local people in 14 States already have filed applications for help under the Resource Conservation and Development, or C-and-D approach, when funds become available. Secretary Freeman announced approval of the first application covering a four-county area in southern Indiana--while touring that section of the country last May.

This proposed pilot project will speed the development of industry, land,



water, and mineral resources, recreation, and tourism in the four counties, which cover more than one million acres of land.

Five million people live within a 200 mile radius of the project area. We expect sportsmen's organizations, church groups, and community associations to work with local sponsors to build recreational facilities of many different kinds.

While the area is rich in scenic beauty, it also suffers from a chronic shortage of water for domestic, industrial and recreational use. At the same time floods coming off the steep slopes damage farmland, destroy roads and flood local communities.

To develop the area's water resources, local sponsors have called for 13 multi-purpose small watershed projects. Watershed projects, which are carried out by local people with financial and technical help from the Department of Agriculture, are designed to stop floods and impound water for recreation, municipal farm and industrial use. Fifteen towns in the four-county area say they need water for municipal use, eight want water for industry, 22 for recreational purposes, and 14 have flooding problems.

The proposed C-and-D project also takes into account the need for improved transportation and communications, community improvement planning and development, and modernization of educational facilities. Industries will be sought that can make use of deposits of sand, stone, gypsum and other minerals.

#### Recreation

The 1962 Act also provides for rural recreation loans, a cropland conversion program, and expansion of the small watershed program to provide cost-sharing for recreational development and to permit storage capacity for future municipal or industrial use.

Outdoor recreation has become a \$20 billion a year business in the United States. Our parks and National Forests are jammed with hordes of pleasure-seekers. Each summer weekend countless thousands are turned away from overcrowded campgrounds and picnic sites. A Presidential study committee predicts this is only the beginning, that by the year 2000, the present demand for outdoor recreation will have tripled.

State and Federal governments are expanding their facilities as rapidly as funds permit. But we will never meet this growing demand on public land alone. Rather, it must be met in large measure on the privately-owned farms, ranches and woodlands that make up 75 percent of the country's land area.

In providing urban residents with outdoor recreation areas that they want and need, we also help the farmer tap a new source of income. Make no mistake about it, recreation is a lucrative field. Studies show that 24 tourists a day can bring as much money to a community as an industrial plant with a \$100,000 a year payroll.

Within weeks after the Department announced its recreation loan program, we received more than 5,000 queries. The first loans were closed early this year. By the end of June, the Department had loaned \$1,862,000 to 66 individual and 17 associations to develop on-farm accommodations for vacationers, picnic and camping facilities, lakes for boating, fishing, and swimming, shooting preserves, and other facilities for outdoor fun.

The Department also provides technical advice to farmers in selecting the best location for the recreation area, the type of facilities needed, layout possibilities and construction guides.

### Cropland Conversion

The cropland conversion program includes a combination of loans, grants and technical advice to enable farmers to switch excess cropland to recreation, wildlife habitat, grazing, forests, or water storage.

The cropland conversion program now is being operated on a pilot basis in 138 counties--97 of which are designated for recreation development.

Farmers are given 5 to 10 years contracts, with a transitional adjustment payment during the conversion from growing crops to installing the other use.

### Watershed Program

The 1962 Act also provided for an expansion of the small watershed program.

In the eight years that this popular program has been in existence, local organizations have submitted applications for assistance on almost 2,000 watersheds covering more than 141 million acres.

The Food and Agriculture Act of 1962 permits local sponsors to enlarge dams to provide extra water for recreation with the Department sharing this cost on a 50-50 basis. Local sponsors also can buy land around the reservoir for recreational use and again the Department can help pay this cost. In addition, the Act permits extra water storage capacity for future municipal or industrial use.

To date, recreation areas have been tentatively approved for 39 watershed projects in 22 States. Several sponsors are investigating the future storage capacity provision.

### Industrial Loans

Other recent legislation provided other needed RAD tools and resources.

The Area Redevelopment Act provides low-cost loans and grants which can help local people establish new industries and build new public facilities.

These loans and grants can, and have, touched off complete rural areas development projects.

Johnson County, Tennessee is a case in point.

In the 1950's, Johnson County was losing people, its economy was marking time while the national economy moved forward. Its farmers were having a hard time making a living off the hilly terrain. Income was low, jobs were hard to get, and business was slack.

Then, the people decided to take action. They organized a RAD effort, forming a county industrial commission. They obtained the first combination loan and grant issued by ARA, for a total of \$106,300, to help build an industrial park and provide it with sewer and water facilities. Local people raised the other \$400,000 with a bond issue.

Today, a garment factory employing 204 people is located in the 30-acre industrial park. The factory adds one-half million dollars a year to the area's annual payroll. It has plans for expansion. Two other plants--a hosiery mill and a cotton work glove factory--have located in Johnson County, providing 135 new jobs and adding in excess of another \$500,000 a year to the area income.

These new plants have helped create an economic upswing in Mountain City, Johnson County's major town. New homes are replacing old ones, new recreation facilities are being developed with Federal and local funds, bank deposits are up, and the migration of young people from Johnson County has been slowed. Some who left are returning.

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USDA 3048-63

Nationally, through this small ARA program alone, an estimated 92,000 direct and indirect jobs have been generated with a total Federal investment of \$164.7 million. Of this amount, nearly \$100 million has been invested in 196 rural projects, creating more than 26,400 jobs.

The Department can help local people obtain new industry through Section 5 loans to rural electric cooperatives. The funds are used locally to provide electrical equipment or service in plants served by rural electric cooperatives. The Small Business Administration also provides financial assistance to RAD projects.

Many rural Americans are not equipped to hold down jobs in the new factories. But available to them, to overcome this roadblock, is the opportunity to obtain new skills. The Federal government has expanded its manpower development, retraining and vocational education efforts.

Through these expanded training programs, unemployed people are able to acquire the skills they need to fill these jobs. While learning, trainees may receive subsistence or training allotments.

Eight million new jobs are required in the rural United States within the next decade to provide work for those now unemployed or who have inadequate incomes, and to provide places for the young people who will be joining the work force.

While the number of adequate family farms is increasing--and we are officially encouraging this trend--the total number of farm-jobs will continue to decline.

Therefore, programs to promote rural industrialization and outdoor recreation to provide more non-farm jobs and economic opportunities are the greatest hope of realizing this rural job goal.



We also are helping local people generate new jobs and new economic opportunity in their area through the Accelerated Public Works program and rural housing loans.

As of last June 1, the Department had spent \$34.5 million in Accelerated Public Works funds to improve our National Forests and to speed work on a number of watershed projects. Other Federal Departments had spent four times this amount. A total of \$139.2 million had been invested in public works projects in rural areas, creating an estimated 216,000 man-months of employment for residents of economically depressed areas. In addition, this work has improved natural resources, provided new public facilities and new recreation areas, and helped stop damaging floods. All of this will generate new economic activity, bringing further benefits to depressed communities.

Our expanded rural housing program forged ahead during fiscal year 1963, the Department making nearly 20,000 loans for more than \$186 million. The head of our rural housing division estimated that the \$606.5 million that had been invested in this program by the end of fiscal '63 had resulted in more than 166,000 man-years of employment. And because of the multiplier effect, this investment had an estimated total economic impact of about \$3.6 billion.

Housing financed by the Department required 800 million board feet of lumber; provided a market for \$107 million of plumbing, heating, electrical materials and equipment; \$160 million of other construction items such as concrete, masonry, millwork, plaster and paint, and at least \$37 million of home furnishings.

Important as Federal funds are to the RAD program, they are by no means the major financial factor involved. A North Carolina study of 65 commercial

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USDA 3048-63

and industrial projects started in the State during a given period shows that for every \$1 invested by a Federal agency, private sources put up an estimated \$58.

We still have a long way to go in the RAD program. It is a new undertaking, and the task of helping local people get their community moving again is a difficult one.

We have much to learn. I am confident some of that knowledge will come from our session here.

If the Nations who have conquered scarcity work together, surely we can meet and vanquish the problems that science and technology also created when they provided an abundance of food and fiber never known before in the world.

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